

MOHAN GUPTA & COMPANY  
CHARTERED ACCOUNTANTS

OFF.B-2A/37, JANAKPURI  
NEW DELHI – 110058  
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## **Independent Auditor's Report**

**To the Members of M/s.RED SOLUTIONS PRIVATE LIMITED**

### **Report on the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of M/s. **RED SOLUTIONS PRIVATE LIMITED** ("*the Company*") which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, and loss and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

### **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

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 Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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.

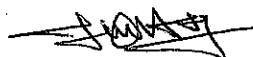
- a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- b. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c. 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.
- d. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, as required under chapter X, clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013, is not applicable to the company.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. As informed to us, company does not have any pending litigations which would impact its financial position.
  - ii. As informed to us, the company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. As informed to us, the company has no amount for transferring to the Investor Education and Protection Fund by the Company.

Place: New Delhi  
Date: 29<sup>th</sup> May 2019

For Mohan Gupta & Company  
Chartered Accountants  
FRN:-006519N



**CA Himanshu Gupta**  
Partner

Membership Number-527863



**RED SOLUTIONS PRIVATE LIMITED**  
**Annexure-A to the Independent Auditors' Report**

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

- 1.a) In our opinion, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
1. b) According to the information and explanations given to us, fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- 1.c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company does not have any immovable properties in the name of company.
2. The company is in the business of providing services and does not have any physical inventories. Accordingly, reporting under Clause 3 (ii) of the order is not applicable to the company.
3. The Company has not granted unsecured loans to related companies and not granted any secured or unsecured loan to firms, Limited Liability partnerships 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.
4. In our opinion and according to the information and explanations given to us, the company has not given loan, provide guarantee and security for its related companies to which provisions of section 185 and 186 of the Act are applicable. The company has not made any investment and it has complied with the provisions of section 186 of the Act to the extent applicable to it.
5. According to the information and explanations given to us, the company has not accepted any deposits within the meaning of section 73 to 76 of the Act and the rules framed there under to the extent notified. Accordingly, paragraph 3(v) of the order is not applicable to the company.
6. In our opinion, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Accordingly, paragraph 3(vi) of the order is not applicable to the company.



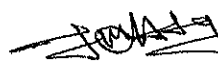
- 7a). According to the information's and explanations given to us and the records of the company examined by us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including employees' state insurance, sales tax, service tax, goods & services tax, value added tax, cess and other statutory dues with appropriate authorities and no statutory dues are outstanding for a period exceeding six months from the date they became payable.
- 7b). According to the information's and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, service tax, goods & services tax, value added tax or cess which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not obtained any loan or borrowings from PFI or Banks. The company has not obtained any loan or borrowings from governments. Further the company does not have any debentures issued/outstanding at any time during the year.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order is not applicable to the Company.
10. In our opinion and according to the information and explanation given to us, no fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has paid or provided during the year in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order is not applicable to the Company.
13. According to the information's and explanations given to us and the records of the company examined by us, the company has complied all the provision of section 177 and 188 of the Companies Act, 2013 regarding the transaction with related parties. The company has disclosed all the transaction with related parties in financial statement.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order is not applicable to the Company.

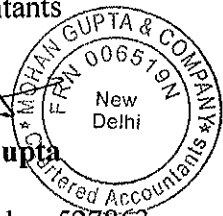


15. According to the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company and hence not commented upon.
16. According to the audit procedures performed and the information and explanations given by the management, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place: New Delhi  
Date: 29<sup>th</sup> May 2019

For Mohan Gupta & Company  
Chartered Accountants  
FRN:-006519N

  
CA Himanshu Gupta  
Partner  
Membership Number-527863



## 1.1 SIGNIFICANT ACCOUNTING POLICIES

### 1.2 Corporate Information

The Company was incorporated in 09<sup>th</sup> August 2012 and the Company got registered as Revenue for professional and consultancy services and other services.

### 1.3 Basis of Accounting & Convention

The financial statements are prepared under the historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles (GAAP), to comply with the accounting standards specified u/s 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, relevant pronouncements of the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy either to in use.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in schedule III of the Companies Act, 2013. Previous year's figures have been regrouped/ reclassified wherever considered necessary. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities

### 1.4 Use of Estimates:

The preparation of financial statements in conformity with GAAP 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 the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include provision for assets and estimated useful life of property, plant & Equipments. Actual results could differ from these estimated and the differences between actual results and estimates are recognised in the periods in which the results are known / materialized.

### 1.5 Current/ Non-current classification

All assets and liabilities are classified as current and non-current.

#### i) Assets

An asset is classified as current when it satisfies any of the following criteria:



- a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within 12 months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

## **ii) Liabilities**

A liability is classified as current when it satisfies any of the following criteria.

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within 12 months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities includes current portion of non-current financial liabilities. All other liabilities are classified as non-current.

## **iii) Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

# **1.6 Property, plant & Equipments**

## **i) Tangible assets**

Tangible assets are stated at the cost of acquisition or construction, less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable costs of bringing the assets to their working condition for intended use. Borrowing costs directly attributable to acquisition or construction of property, plant & Equipments, which necessarily take a substantial period of time to be ready for their intended use are capitalised as part of the cost of such assets to the extent they relate to the period till such assets are ready to be put to use.

### **Depreciation on tangible assets**

- (a) Leasehold improvements are depreciated over the lease period as stated in the lease agreement or over the estimated useful life of the assets, whichever is shorter.
- (b) Depreciation is provided based on useful life of assets on Straight Line Method (SLM). The useful life of assets is taken as prescribed in Schedule II to the Companies Act, 2013.





ii) **Intangible assets and its amortisation**

Intangible assets are recorded at cost and are amortised over the period the Company expects to derive economic benefits from their use.

iii) **Advances paid towards acquisition of property, plant & Equipments and cost of assets not ready for use before the year end, are disclosed as capital work in progress.**

**1.7 Impairment**

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable is estimated at each balance sheet date. An impairment loss is recognized whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization loss had been recognized.

**1.8 Investments**

Investments are classified into long-term investments and current investments based on intent of the management at the time of making the investment. Investment intended to be held for more than one year from the date such investments are made are classified as long-term investments. All long-term investments are classified as non-current investments in the Balance Sheet. The portions of long-term investments which are expected to be realised within twelve months from the Balance Sheet date are classified as current investments. Current investments are valued at lower of cost and market value, computed category-wise e.g. quoted shares, unquoted shares, government securities and non government securities/bonds. The diminution in current investments is charged to the Statement of Profit and Loss and appreciation, if any, is recognised at the time of sale. Long-term investments, including investments in subsidiaries, are valued at cost unless there is diminution, other than temporary, in their value. Diminution is considered other than temporary based on criteria that include the extent to which cost exceeds the market value, the duration of the market value decline and the financial health of and specific prospects of the issuer.

- i) The cost is arrived at Average method and is inclusive of brokerage, transfer expenses & Demat Charges, if any. The fair value is arrived at with reference to the market value, if available, quotation in any stock exchange or any other available information to indicate a transaction between unrelated willing buyer & willing seller at arm's length price. Profit or Loss on sale of investment is determined on the basis of the weighted average cost method. On disposal of and Investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss



- ii) In case of unquoted investments, the fair value is arrived on the basis of break up value as per latest available audited balance sheet of the investee company.
- iii) Interest accrued and/or broken period interest paid on unsold securities is recognized as "Interest Accrued on Investment" under Other Current Assets.

### **1.9 Stock in trade**

Inventory acquired with the intention to trade are classified as Stock –in- trade. Stock-in-Trade of Inventory is valued at lower of the cost or fair value. Cost is determined on First-in-First-Out (FIFO) basis.

### **1.10 Revenue Recognition**

#### **Sale of Goods**

Sale is recognized when the significant risks and rewards of ownership of the goods have passed to the customer. Sales are recorded net of sales returns, GST, rebates, trade discounts and price differences.

#### **Income from Services**

Revenue from professional and consultancy services and other services, if any, are recognized as and when services are rendered and are accounted on an accrual basis.

#### **Interest Income**

Interest income is recognized on time proportion basis taken into account the amount outstanding and the rate applicable.

#### **Other Income**

In respect of other heads of income, the Company follows the practice of recognizing income on accrual basis.

### **1.11 Provision for standard and non-performing assets**

Provisions for standard and non-performing assets are created in accordance with the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. Further, specific provisions are also created based on the management's best estimate of the recoverability of non-performing assets.

### **1.12 Expenditure**

Expenses are recognized on accrual basis and provisions are made for all known losses and liabilities. Expenses incurred on behalf of other companies, in India, for sharing personnel, common services and facilities like premises, telephones, etc. are allocated to them at cost and reduced from respective expenses.

Similarly, expenses allocation received from other companies is included within respective expense classifications.



### 1.13 Borrowing Cost

Interest on borrowings is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable on the borrowings.

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to statement of profit & loss account.

### 1.14 Earnings per share

Earnings per share is calculated by dividing the net profit or loss for the year (including prior period items, if any) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Basic earning per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed using the weighted average number of equity and dilutive potential shares outstanding during the year, except where the results would be anti-dilutive.

### 1.15 Employee benefits

The Company's obligations towards various employee benefits have been recognised as follows:

#### (a) Short term benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

#### (b) Defined contribution plan

Retirement / employee benefits in the form of Provident Fund, Employee State Insurance and Labour Welfare are considered as defined contribution plan and contributions to the respective funds administered by the Government are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due

#### (c) Gratuity (Defined benefit plan)

Gratuity is defined benefit plan. The present value of obligations under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.



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The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

(d) *Compensated absences (other long-term benefits)*

The Company provides for leave encashment based on actuarial valuation using projected unit credit method in respect of past service. In respect of compensated absences arising during the tenure of service, lying to the credit of employee as on the last day of financial year, subject to the maximum period of leave allowable as per HR policy of the company. The defined benefit obligation is calculated taking into account the pattern of an ailment of leave. The valuation of leave encashment benefit is done as at the balance sheet date by an independent actuary. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss. However, company does not en-cash compensated absences.

### 1.16 Provisions and Contingent Liabilities

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.

The Company does not recognise assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognised in the financial statements of the period in which the change occurs.

### 1.17 Current and deferred tax

Income-tax expense comprises current tax and deferred tax. Current tax expense is the amount of tax for the period determined in accordance with the income-tax law and deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

### 1.18 Assets on Operating Leases

Lease payments under operating leases are recognized as expenses on accrual basis in accordance with the respective agreements.



#### **1.19 Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

#### **1.20 Foreign currency transactions**

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Exchange differences arising on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currency are translated at year-end rates and resultant gains/losses on foreign exchange translations other than in relation to acquisition of property, plant & Equipments and long term foreign currency monetary liabilities are recognised in the Statement of Profit and Loss.



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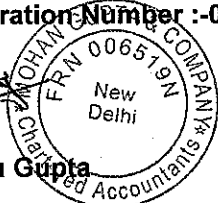
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Red Solutions Private Limited  
CIN : U74999DL2012PTC240027  
Balance Sheet as at 31 March 2019  
(Amount in Indian Rupees)

| Particulars                     | Note No | As at<br>31 March 2019 | As at<br>31 March 2018 |
|---------------------------------|---------|------------------------|------------------------|
| <b>Equity &amp; Liabilities</b> |         |                        |                        |
| <b>Shareholders' funds</b>      |         |                        |                        |
| Share capital                   | 2.1     | 12,11,40,000           | 9,95,00,000            |
| Reserves and surplus            | 2.2     | (4,72,57,028)          | (16,20,388)            |
|                                 |         | 7,38,82,972            | 9,78,79,612            |
| <b>Current liabilities</b>      |         |                        |                        |
| Short-term borrowings           | 2.3     | 7,60,00,000            | 8,41,00,000            |
| Other current liabilities       | 2.4     | 13,00,33,189           | 2,53,59,383            |
|                                 |         | 20,60,33,189           | 10,94,59,383           |
| <b>TOTAL</b>                    |         | <b>27,99,16,161</b>    | <b>20,73,38,995</b>    |
| <b>Assets</b>                   |         |                        |                        |
| <b>Non-current assets</b>       |         |                        |                        |
| Fixed assets                    |         | -                      | -                      |
| Tangible assets                 | 2.5     | 35,011                 | 24,062                 |
| Non current investment          | 2.6     | 10,40,00,000           | -                      |
| Deffered Tax Asset              | 2.7     | 13,675                 | 19,154                 |
|                                 |         | 10,40,48,686           | 43,216                 |
| <b>Current assets</b>           |         |                        |                        |
| Trade receivables               | 2.8     | -                      | 3,91,800               |
| Cash and cash equivalents       | 2.9     | 17,275                 | 1,07,314               |
| Short-term loans and advances   | 2.10    | 17,58,50,200           | 20,67,45,130           |
| Other current assets            | 2.11    | -                      | 51,534                 |
|                                 |         | 17,58,67,475           | 20,72,95,778           |
| <b>TOTAL</b>                    |         | <b>27,99,16,161</b>    | <b>20,73,38,995</b>    |

For Mohan Gupta & Company  
Chartered Accountants  
Firm's Registration Number :- 006519N

CA Himanshu Gupta  
Partner  
Membership No. - 527863  
Place : New Delhi  
Date : 29.05.2019



For and on behalf of the Board of  
Red Solutions Private Limited

Ashok Kumar Gupta  
Director  
DIN:-02590928

Swapan Guha  
Director  
DIN:-06985292

Red Solutions Private Limited  
CIN : U74999DL2012PTC240027

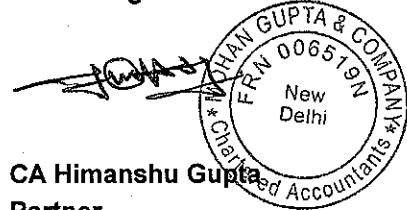
Statement of Profit and Loss for the Year ended 31 March 2019  
(Amount in Indian Rupees)

| Particulars  | Note No. | Year ended<br>31 March 2019 | Year ended<br>31 March 2018 |
|--|----------|-----------------------------|-----------------------------|
| <b>Income</b>  |          |                             |                             |
| Revenue from operations  |          | -                           | -                           |
| Other income   | 2.12     | 19,33,763                   | 51,534                      |
| <b>Total income</b>  |          | <b>19,33,763</b>            | <b>51,534</b>               |
| <b>Expenses</b>  |          |                             |                             |
| Purchase   | 2.13     | -                           | -                           |
| Employee benefit expense   | 2.14     | 15,500                      | -                           |
| Depreciation and amortisation expense                            | 2.13     | 1,985                       | 7,162                       |
| Other expenses   | 2.14     | 20,10,464                   | 45,694                      |
| <b>Total expenses</b>  |          | <b>20,27,949</b>            | <b>52,856</b>               |
| <b>Profit before extraordinary, prior period items and taxed</b> |          | <b>(94,186)</b>             | <b>(1,322)</b>              |
| Prior Period (income) / Expense                                  |          | 200                         |                             |
| <b>Profit (Loss) before tax</b>                                  |          | <b>(93,986)</b>             | <b>(1,322)</b>              |
| <b>Tax expense</b>   |          |                             |                             |
| Current tax  |          | -                           | -                           |
| Tax for earlier year   |          | -                           | -                           |
| Deferred tax   |          | 5,479                       | 6,795                       |
| <b>Profit (Loss) for the period /year</b>                        |          | <b>(99,465)</b>             | <b>(8,117)</b>              |
| <b>Basic/Diluted Earning Per Share</b>                           |          | <b>(1.99)</b>               | <b>(0.16)</b>               |

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For Mohan Gupta & Company  
Chartered Accountants  
Firm's Registration Number :-006519N



CA Himanshu Gupta  
Partner  
Membership No. - 527863  
Place : New Delhi  
Date : 29.05.2019

For and on behalf of the Board of  
Red Solutions Private Limited

Sd/.  
Ashok Kumar Gupta  
Director  
DIN:-02590928

Swapan Guha  
Director  
DIN:-06985292

**Red Solutions Private Limited**

CIN : U74999DL2012PTC240027

Cash flow statement for the year ended 31 March 2019

(Amount in Indian Rupees)

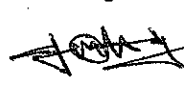

| Particulars  | For the year ended<br>31 March 2019 | For the year ended<br>31 March 2018 |
|--|-------------------------------------|-------------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>            |                                     |                                     |
| Net profit before taxes                                  | (93,986)                            | (1,322)                             |
| Adjustments for :  |                                     |                                     |
| Add : Allocations and Appropriations                     | (4,55,37,174)                       | -                                   |
| Excess Provision Written Back                            | (15,000)                            | -                                   |
| Liability No Longer Required                             | (19,18,763)                         | -                                   |
| Depreciation on Fixed Assets                             | 1,985                               | 7,162                               |
| Interest received  | -                                   | (51,534)                            |
|  | <b>(4,74,68,952)</b>                | <b>(44,372)</b>                     |
| Operating gain before working capital changes            | <b>(4,75,62,938)</b>                | <b>(45,694)</b>                     |
| Adjustments for :  |                                     |                                     |
| Decrease/ (increase) in trade receivable                 | 3,91,800                            | -                                   |
| Decrease/ (increase) in Short term loans and advances    | 3,08,94,930                         | (1,74,48,797)                       |
| Decrease/ (increase) in Other current assets             | 51,534                              | (51,534)                            |
| Increase / (Decrease) in Other current liabilities       | 10,66,07,569                        | 51,93,420                           |
|  | <b>13,79,45,833</b>                 | <b>(1,23,06,911)</b>                |
| Cash generated from operating activities before taxes    | <b>9,03,82,895</b>                  | <b>(1,23,52,605)</b>                |
| Direct taxes paid (net of refunds)                       | -                                   | -                                   |
| Not cash generated from/ (used in) operating activities  | <b>9,03,82,895</b>                  | <b>(1,23,52,605)</b>                |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>            |                                     |                                     |
| Purchase of Investment                                   | (10,40,00,000)                      | -                                   |
| Purchase of fixed assets                                 | (12,934)                            | -                                   |
| Net cash generated from / (used in) investing activities | <b>(10,40,12,934)</b>               | <b>-</b>                            |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>            |                                     |                                     |
| Proceeds from issue from share capital                   | 2,16,40,000                         | -                                   |
| Proceeds from Short term borrowings                      | (81,00,000)                         | 1,17,00,000                         |
| Refund of Share Application Money pending allotment      | -                                   | -                                   |
| Interest Income  | -                                   | 51,534                              |
| Net cash generated from/ (used in) financing activities  | <b>1,35,40,000</b>                  | <b>1,17,51,534</b>                  |
| <b>INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b> | <b>(90,039)</b>                     | <b>(6,01,071)</b>                   |
| Cash and cash equivalents at the beginning of the year   | 1,07,314                            | 7,08,385                            |
| Effect of exchange gain on cash and cash equivalents     | -                                   | -                                   |
| Cash and cash equivalents at the end of the year         | <b>17,275</b>                       | <b>1,07,314</b>                     |
| <b>Notes :</b>   |                                     |                                     |
| Cash and cash equivalents include :                      |                                     |                                     |
| Cash in hand   | 670                                 | 1,02,900                            |
| With banks in :  |                                     |                                     |
| Current accounts   | 16,605                              | 4,414                               |
| Cash and bank balances at the end of the year            | <b>17,275</b>                       | <b>1,07,314</b>                     |

As per our report of even date attached

For Mohan Gupta &amp; Company

Chartered Accountants

Firm's Registration Number - 006519N

  
  
CA Himanshu Gupta  
Partner

Membership No. - 527863

Place : New Delhi

Date : 29.05.2019

For and on behalf of the Board of

Red Solutions Private Limited

  
Ashok Kumar Gupta

Director

DIN:-02590928

  
Swapan Guha

Director

DIN:-06985292



| 2.1 Share capital   | As at 31 March 2019 |              | As at 31 March 2018 |              |
|---|---------------------|--------------|---------------------|--------------|
|   | No. of shares       | Amount       | No. of shares       | Amount       |
| Authorised  |                     |              |                     |              |
| Equity shares of Rs.10 each                                       | 1,00,000            | 10,00,000    | 1,00,000            | 10,00,000    |
| Preference Shares of Rs. 100 each                                 | 10,00,000           | 10,00,00,000 | 10,00,000           | 10,00,00,000 |
| Issued and subscribed   |                     |              |                     |              |
| Equity shares of Rs. 10 each                                      | 50,000              | 5,00,000     | 50,000              | 5,00,000     |
| Preference Shares of Rs. 100 each                                 | 9,90,000            | 9,90,00,000  | 9,90,000            | 9,90,00,000  |
| Paid up Capital   |                     |              |                     |              |
| Equity shares of Rs. 10 each fully paid up                        | 50,000              | 5,00,000     | 50,000              | 5,00,000     |
| 5% Preference Shares (N-C-R) of Rs. 100 each fully paid up (ACMS) | 1,68,600            | 1,68,60,000  | 9,90,000            | 9,90,00,000  |
| 6% Preference Shares (N-C-R) of Rs. 100 each fully paid up (ACMS) | 2,16,400            | 2,16,40,000  | -                   | -            |
| 9% Preference Shares (N-C-R) of Rs. 100 each fully paid up (ACMS) | 7,92,400            | 7,92,40,000  | -                   | -            |
| 9% Preference Shares (N-C-R) of Rs. 100 each fully paid up (ADPL) | 29,000              | 29,00,000    | -                   | -            |
| Total   | 12,56,400           | 12,11,40,000 | 10,40,000           | 9,95,00,000  |

a) Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company in the proportion of equity shares held by the shareholders.

b) During the period ended 31 March 2019, the Company has recorded per share dividend of Rs. Nil (previous year: Nil) to equity shareholders.

c) 'Reconciliation of share capital (Equity)

| Particulars                          | As at 31 March 2019 |          | As at 31 March 2018 |          |
|--------------------------------------|---------------------|----------|---------------------|----------|
|                                      | No. of shares       | Amount   | No. of shares       | Amount   |
| Balance at the Beginning of the Year | 50,000              | 5,00,000 | 50,000              | 5,00,000 |
| Add: Issued during the Year          | -                   | -        | -                   | -        |
| Balance at the end of the Year       | 50,000              | 5,00,000 | 50,000              | 5,00,000 |

d) 'Reconciliation of share capital (Preference)

| Particulars                                    | As at 31 March 2019 |             | As at 31 March 2018 |             |
|--|---------------------|-------------|---------------------|-------------|
|  | No. of shares       | Amount      | No. of shares       | Amount      |
| Balance at the Beginning of the Year           | 9,90,000            | 9,90,00,000 | 9,90,000            | 9,90,00,000 |
| Add: Issued during the year (Rs.100 paid up)   | -                   | -           | -                   | -           |
| Add: Reissued during the year (Rs.100 paid up) | -                   | -           | -                   | -           |
| Less: 1,68,600 shares forfeited                | -                   | -           | -                   | -           |
| Balance at the end of the Year                 | 9,90,000            | 9,90,00,000 | 9,90,000            | 9,90,00,000 |

e) Details of shareholders(Equity) holding more than 5% shares of the Company

| Particulars  | As at 31 March 2019 |                        | As at 31 March 2018 |                        |
|--|---------------------|------------------------|---------------------|------------------------|
|  | Number of shares    | % holding in the class | Number of shares    | % holding in the class |
| Equity shares of Rs.10 each fully paid up held by M/s Avonmore Capital & Management Services Limited | 50,000              | 100%                   | 50,000              | 100%                   |
|  | 50,000              | 100%                   | 50,000              | 100%                   |

\* Include 1 Share held through Nominee Mr Ashok Kumar Gupta.

f) Details of shareholders(Preference) holding more than 5% shares of the Company

| Particulars  | As at 31 March 2019 |                        | As at 31 March 2018 |                        |
|--|---------------------|------------------------|---------------------|------------------------|
|  | Number of shares    | % holding in the class | Number of shares    | % holding in the class |
| Preference shares of Rs.100 each fully partly paid up held by M/s Avonmore Capital & Management Services Limited | 9,61,000            | 97.07%                 | 9,60,000            | 96.97%                 |
|  | 9,61,000            | 97.07%                 | 9,60,000            | 97%                    |

g) As on 31.03.2019 NIL Shares were reserved for issuance towards employee stock options, Share warrants, & for convertible Securities.

h) No shares has been issued other than cash during the year.

i) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date

- No share has been issued without payment being received in cash in preceding 5 years.
- No share has been bonus issued in preceding 5 years.
- No share has been bought back in preceding 5 years.

j) No calls unpaid from directors and officers.



**Rcd Solutions Private Limited**  
**Notes to financial statements for the year ended 31 March 2019**  
**(Amount in Indian Rupees)**

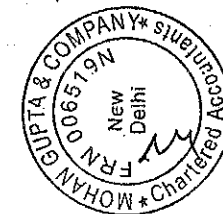
**Note 2.5**

**Tangible assets**

| Description               | As at<br>1 April 2017 | Additions | Deletions | Retained<br>Earnings | As at 31 March<br>2018 | As at 1 April 2018 | Adjustment | Additions | Deletions | As at 31 March<br>2019 |
|---------------------------|-----------------------|-----------|-----------|----------------------|------------------------|--------------------|------------|-----------|-----------|------------------------|
| Furniture and fixtures    | 76,466                | -         | -         | -                    | 76,466                 | 76,466             | -          | -         | -         | 76,466                 |
| Computers and peripherals | 4,33,968              | -         | -         | -                    | 4,33,968               | 4,33,968           | -          | -         | -         | 4,33,968               |
| Office equipments         | 1,20,313              | -         | -         | -                    | 1,20,313               | 1,20,313           | -          | -         | -         | 1,20,313               |
| <b>Total</b>              | <b>6,30,747</b>       | <b>-</b>  | <b>-</b>  | <b>-</b>             | <b>6,30,747</b>        | <b>6,30,747</b>    | <b>-</b>   | <b>-</b>  | <b>-</b>  | <b>6,30,747</b>        |

| Description               | As at 31<br>March 2018 | Additions    | Deletions | Retained<br>Earnings | As at 31 March<br>2018 | As at 1 April 2018 | Adjustment    | Additions    | Deletions | As at 31 March<br>2019 |
|---------------------------|------------------------|--------------|-----------|----------------------|------------------------|--------------------|---------------|--------------|-----------|------------------------|
| Depreciation              |                        |              |           |                      |                        |                    |               |              |           |                        |
| Furniture and fixtures    | 64,668                 | 2,598        | -         | -                    | 67,266                 | 67,266             | -             | 1,905        | -         | 69,171                 |
| Computers and peripherals | 4,25,204               | -            | -         | -                    | 4,25,204               | 4,25,204           | 12,934        | -            | -         | 4,12,270               |
| Office equipments         | 1,09,651               | 4,564        | -         | -                    | 1,14,215               | 1,14,215           | -             | 80           | -         | 1,14,295               |
| <b>Total</b>              | <b>5,99,523</b>        | <b>7,162</b> | <b>-</b>  | <b>-</b>             | <b>6,06,685</b>        | <b>6,06,685</b>    | <b>12,934</b> | <b>1,985</b> | <b>-</b>  | <b>5,95,736</b>        |

| Description               | As at 31<br>March 2018 | Additions | Deletions | As at 31 March<br>2018 | As at 1 April 2018 | Adjustment | Additions | Deletions | As at 31 March<br>2019 |
|---------------------------|------------------------|-----------|-----------|------------------------|--------------------|------------|-----------|-----------|------------------------|
| Carrying amounts          |                        |           |           |                        |                    |            |           |           |                        |
| Furniture and fixtures    |                        |           |           | 9,200                  |                    |            |           |           | 7,295                  |
| Computers and peripherals |                        |           |           | 8,764                  |                    |            |           |           | 21,698                 |
| Office equipments         |                        |           |           | 6,098                  |                    |            |           |           | 6,018                  |
| <b>Total</b>              |                        |           |           | <b>24,062</b>          |                    |            |           |           | <b>35,011</b>          |



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**Red Solutions Private Limited**

**Notes to financial statements for the year ended 31 March 2019**

**(Amount in Indian Rupees)**

| <b>2.2 Reserves and surplus</b>                                  | <b>As at<br/>31 March 2019</b> | <b>As at<br/>31 March 2018</b> |
|--|--------------------------------|--------------------------------|
| <b>a. (Deficit)/ surplus in the Statement of Profit and Loss</b> |                                |                                |
| Balance at the beginning of the year                             | (1,42,65,388)                  | (1,42,57,272)                  |
| Add: Transferred from Statement of Profit & Loss                 | (99,465)                       | (8,116)                        |
| Add : Adjustment and Allocatiions                                | (4,55,37,174)                  | -                              |
| Balance at the end of the year                                   | <u>(5,99,02,027)</u>           | <u>(1,42,65,388)</u>           |
| <b>b. Capital Reserve</b>  |                                |                                |
| Balance at the beginning of the year                             | 1,26,45,000                    | 1,26,45,000                    |
| Add: Balance Transferred   | -                              | -                              |
| Less: Adjustment and Allocatiions                                | -                              | -                              |
| Balance at the end of the Year                                   | <u>1,26,45,000</u>             | <u>1,26,45,000</u>             |
| <br>Gross Total  | <br><u>(4,72,57,027)</u>       | <br><u>(16,20,388)</u>         |
| <b>2.3 Short Term borrowings</b>                                 | <b>As at<br/>31 March 2019</b> | <b>As at<br/>31 March 2018</b> |
| <b>Unsecured- Related Party</b>                                  |                                |                                |
| Avonmore Capital & Management Services Ltd.                      | -                              | 1,02,00,000                    |
| <b>Unsecured</b>   |                                |                                |
| Loan from Others   | 7,60,00,000                    | 7,39,00,000                    |
|  | <u>7,60,00,000</u>             | <u>8,41,00,000</u>             |
| <b>2.4 Other Current Liabilities</b>                             | <b>As at<br/>31 March 2019</b> | <b>As at<br/>31 March 2018</b> |
| Statutory Dues   | -                              | 6,44,880                       |
| Expense payable  | 12,68,418                      | 23,95,838                      |
| Payable to holding Company                                       | -                              | -                              |
| Interest Payable to Holding Company                              | 2,494                          | 12,92,494                      |
| Interest Payable to Others                                       | 1,27,62,277                    | 2,10,11,171                    |
| Other Payable  | 11,60,00,000                   | 15,000                         |
|  | <u>13,00,33,189</u>            | <u>2,53,59,383</u>             |
| <b>2.6 Non current investment</b>                                | <b>As at<br/>31 March 2019</b> | <b>As at<br/>31 March 2018</b> |
| <b>Investment in property</b>                                    |                                |                                |
| Property -2nd Floor Red Mall Ghaziabad (SF-201A)                 | 10,40,00,000                   |                                |
|  | <u>10,40,00,000</u>            |                                |



**Red Solutions Private Limited**

**Notes to financial statements for the year ended 31 March 2019**

**(Amount in Indian Rupees)**

| <b>2.7 Deffered Tax Asset (Net)</b> | <b>As at<br/>31 March 2019</b> | <b>As at<br/>31 March 2018</b> |
|-------------------------------------|--------------------------------|--------------------------------|
|-------------------------------------|--------------------------------|--------------------------------|

Deffered Tax :-

a. Related to Fixed Assets

|               |               |
|---------------|---------------|
| 13,675        | 19,154        |
| <b>13,675</b> | <b>19,154</b> |

| <b>2.8 Trade Receivables</b> | <b>As at<br/>31 March 2019</b> | <b>As at<br/>31 March 2018</b> |
|------------------------------|--------------------------------|--------------------------------|
|------------------------------|--------------------------------|--------------------------------|

- a) Outstanding for a period exceeding six months from the date they are due for payment  
Unsecured, Considered Good

|   |          |
|---|----------|
| - | 3,91,800 |
| - | 3,91,800 |

| <b>2.9 Cash and cash equivalents</b> | <b>As at<br/>31 March 2019</b> | <b>As at<br/>31 March 2018</b> |
|--------------------------------------|--------------------------------|--------------------------------|
|--------------------------------------|--------------------------------|--------------------------------|

Cash in hand

670 1,02,900

**Bank balances**

Current account

16,605 4,414

**17,275** **1,07,314**

| <b>2.10 Short Term Loans &amp; Advances</b> | <b>As at<br/>31 March 2019</b> | <b>As at<br/>31 March 2018</b> |
|---|--------------------------------|--------------------------------|
|---|--------------------------------|--------------------------------|

Capital Advances

17,46,90,000 14,34,09,000

Interest Capitalized on Capital advances

- 5,27,80,343

Loan to others (Unsecured)

- 99,00,000

Other Receivable

- 6,55,787

Balance with statutory/ government authorities :

11,60,200 -

**17,58,50,200** **20,67,45,130**

| <b>2.11 Other Current Assets</b> | <b>As at<br/>31 March 2019</b> | <b>As at<br/>31 March 2018</b> |
|----------------------------------|--------------------------------|--------------------------------|
|----------------------------------|--------------------------------|--------------------------------|

Balance with statutory/ government authorities :

Interest Receivable

- 51,534

- **51,534**



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**Red Solutions Private Limited**

**Notes to financial statements for the year ended 31 March 2019**

**(Amount in Indian Rupees)**

| <b>2.12 Other Income</b>      | <b>For Year ended<br/>31 March 2019</b> | <b>For year ended<br/>31 March 2018</b> |
|-------------------------------|---|---|
| Excess Provision Written Back | 15,000                                  | -                                       |
| Interest on Income Tax Refund | -                                       | -                                       |
| Liability No Longer Required  | 19,18,763                               | -                                       |
| Interest Income               | -                                       | 51,534                                  |
|                               | <u>19,33,763</u>                        | <u>51,534</u>                           |

| <b>2.13 Depreciation and amortization expense</b> | <b>For Year ended<br/>31 March 2019</b> | <b>For year ended<br/>31 March 2018</b> |
|---|---|---|
| Depreciation                                      | 1,985                                   | 7,162                                   |
|   | <u>1,985</u>                            | <u>7,162</u>                            |

| <b>2.14 Other expenses</b>                  | <b>For Year ended<br/>31 March 2019</b> | <b>For year ended<br/>31 March 2018</b> |
|---|---|---|
| Legal and professional                      | 1,000                                   | 20,600                                  |
| Rates and taxes - Capital increase          | 1,98,000                                | -                                       |
| Debit Balance Written Off                   | 15,08,121                               | -                                       |
| Rates and taxes                             | 3,870                                   | 4,200                                   |
| Printing and stationery                     | 115                                     | -                                       |
| Auditor's remuneration                      | 5,000                                   | 5,000                                   |
| Bank Charges                                | 646                                     | 2,573                                   |
| Miscellaneous Expenses                      | 945                                     | 1,671                                   |
| Interest on late deposit of government dues | 2,92,767                                | 11,650                                  |
|   | <u>20,10,464</u>                        | <u>45,694</u>                           |



**Red Solutions Private Limited**  
**Notes to financial statements for the year ended 31 March 2019**  
**(Amount in Indian Rupees)**

| <b>2.15 Earning per share</b>   | <b>Year ended<br/>31 March 2019</b> | <b>Year ended<br/>31 March 2018</b> |
|---|-------------------------------------|-------------------------------------|
| Net Profit/(loss) after tax available for equity shareholders (A)                           | (99,465)                            | (8,117)                             |
| Weighted average number of equity shares for Basic EPS (B)<br>(Face value of Rs. 10 each)   | 50,000                              | 50,000                              |
| Weighted average number of equity shares for diluted EPS (C)<br>(Face value of Rs. 10 each) | 50,000                              | 50,000                              |
| Basic EPS (A/B)   | (1.99)                              | (0.16)                              |
| Diluted EPS (A/C)   | (1.99)                              | (0.16)                              |

| <b>2.16 Payment to Auditors</b> | <b>Year ended<br/>31 March 2019</b> | <b>Year ended<br/>31 March 2018</b> |
|---------------------------------|-------------------------------------|-------------------------------------|
| Audit Fee                       | 5,000                               | 5,000                               |
|                                 | <u>5,000</u>                        | <u>5,000</u>                        |

| <b>2.17 Contingent Liabilities</b> | <b>Year ended<br/>31 March 2019</b> | <b>Year ended<br/>31 March 2018</b> |
|------------------------------------|-------------------------------------|-------------------------------------|
| Contingent Liabilities             | Nil                                 | Nil                                 |

**2.18 Related Party disclosures**

**Names of related parties and description of relationship:**

**(i) Holding Company**

Avonmore Capital and Management Services Limited

**(ii) Enterprises over which key Managerial Personnel and relatives of such personnel exercise significant influence**

**(ii) key Managerial Personnel**

Mr. Ashok Kumar Gupta

Mr. Swapan Guha



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**Red Solutions Private Limited**
**Notes to financial statements for the year ended 31 March 2019**
**(Amount in Indian Rupees)**
**2.19 Related Party disclosures -Continued**

Transactions during the year and balances outstanding as at the year-end in respect of transactions entered into during the year with the related parties.

| Sr. No | Particulars                                    | Amount        |  | Amount        |  |
|--------|--|---------------|--|---------------|--|
|        |  | 31 March 2019 |  | 31 March 2018 |  |
| 1)     | <b>Transaction during the Year</b>             |               |  |               |  |
| (A)    | <b>Income / Expenses</b>                       |               |  |               |  |
|        | Interest Expense to Holding Company            | -             |  | 14,36,104     |  |
|        | Avonmore Capital & Management Services Limited | -             |  | 14,36,104     |  |
|        | Interest paid to Holding Company               | -             |  | 1,43,610      |  |
|        | Avonmore Capital & Management Services Limited | -             |  | 1,43,610      |  |
| (B)    | <b>Assets / Liabilities</b>                    |               |  |               |  |
| a      | Short term loan received from Holding company  | 2,01,50,000   |  | 5,27,00,000   |  |
|        | Avonmore Capital & Management Services Limited | 2,01,50,000   |  | 5,27,00,000   |  |
| b      | Short term loan paid to Holding company        | 4,25,00,000   |  | 4,25,00,000   |  |
|        | Avonmore Capital & Management Services Limited | 3,03,50,000   |  | 4,25,00,000   |  |
| c      | Advance Taken                                  | 6,47,280      |  | 5,39,590      |  |
|        | Avonmore Capital & Management Services Limited | 6,47,280      |  | 5,39,590      |  |
| d      | Advance Taken - Repayment                      | -             |  | 5,39,590      |  |
|        | Avonmore Capital & Management Services Limited | -             |  | 5,39,590      |  |
| 2)     | <b>Closing balance at at March 31, 2019</b>    |               |  |               |  |
| a      | Share Capital                                  | 11,77,65,000  |  | 9,60,25,000   |  |
|        | Avonmore Capital & Management Services Limited | 11,77,65,000  |  | 9,60,25,000   |  |
| b      | Loan liability                                 | -             |  | 1,02,00,000   |  |
|        | Avonmore Capital & Management Services Limited | -             |  | 1,02,00,000   |  |
| c      | Interest Payable                               | 2,494         |  | 12,92,924     |  |
|        | Avonmore Capital & Management Services Limited | 2,494         |  | 12,92,924     |  |
| d      | Other Payable                                  | 6,47,280      |  | -             |  |
|        | Avonmore Capital & Management Services Limited | 6,47,280      |  | -             |  |



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2.20 Deferred Tax Calculation as per accounting standard AS-22.

| Particulars                     | Wdv As On<br>31.03.2019<br>As Per Co.<br>Act | Wdv As On<br>31.03.2019 As<br>Per It. Act | Difference | Deferred Tax<br>Liability/<br>(Asset) |
|---------------------------------|--|---|------------|---------------------------------------|
| Related to Fixed Asset          | 35,011                                       | 88,118                                    | (53,107)   | (13,675)                              |
| Related to Preliminary Expenses | -  | -   | -          | -                                     |
| Total                           | 35,011                                       | 88,118                                    | (53,107)   | (13,675)                              |



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**Red Solutions Private Limited**  
**Notes to financial statements for the year ended 31 March 2019**  
**(Amount in Indian Rupees)**

| 2.21 | Others | 31.03.2019 | 31.03.2018 |
|------|--------|------------|------------|
|------|--------|------------|------------|


- a Additional information
- |                                      |     |     |
|--------------------------------------|-----|-----|
| i) C.I.F. value of Imports           | Nil | Nil |
| ii) Expenditure in Foreign Currency  | Nil | Nil |
| iii) Remittances in Foreign Currency | Nil | Nil |
| iv) Earning in foreign currency      | Nil | Nil |
- b The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the yearend together with interest paid / payable under this Act have not been given.
- c In respect of those who were in receipt of remuneration of Rs. 1,02,00,000/- per year or More of Rs. 8,50,000 per month or more is NIL.
- d In the opinion of directors, current assets and loans and advances have a value on realization in the ordinary course of the business at least equal to the amount at which these have been stated in the balance sheet.
- e All known liabilities have been provided for and there are no disputed liabilities as confirmed by the Directors.
- f Payments made or provided during the financial year to Directors as Managerial Remuneration is Nil (PY Nil).
- g Maximum amount other than imprest account due from directors of the company at any time during the year is Nil (PY Nil).
- h Company has adopted the mercantile system of accounting.
- i Balances in respect of parties in some cases are subject to confirmation and adjustments, if any
- j Previous year's figures have been regrouped and re-casted wherever necessary and figures in brackets pertain to last year.
- k No provision for gratuity has been made in the books, as the amount of liability as on date, if any, has not been ascertained necessary and figures in brackets pertain to last year.


As per our report of even date attached

**For Mohan Gupta & Company**  
**Chartered Accountants**  
**Firm's Registration Number 1006619N**

  
**CA Himanshu Gupta**  
**Partner**  
**Membership No. - 527863**  
**Place : New Delhi**  
**Date : 29.05.2019**

**For and on behalf of the Board of**  
**Red Solutions Private Limited**

  
**(Ashok Kumar Gupta)**  
**Director**  
**DIN:-02590928**

  
**(Swapan Guha)**  
**Director**  
**DIN:-06985292**