



**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF **NEOTEC ENTERPRISES LIMITED**

**Report on the Audit of the Ind AS Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **NEOTEC ENTERPRISES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, for the year ended on that date.

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors' Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Information other than the financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

### **Management's Responsibility for the financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements 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 Responsibilities for the Audit of financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.





- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the company with reference to these Ind AS financial statements and operating effectiveness of such controls, refer our separate Report in "Annexure-B" to this report.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- There was no material impact of pending litigation which would impact its financial position as on March 31, 2023;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - There were no amounts, which were required to be transferred to the investor Education and Protection Fund by the Company.
  -
- (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.



- The Company has not declared/paid dividend during the year, accordingly compliance u/s 123 of the Act is not applicable to the company.

**For MRKS And Associates**  
**Chartered Accountants**  
**FRN: 023711N**



**Kamal Ahuja**  
**(Partner)**

**M. No. 505788**

**Place: New Delhi**

**Date: 22-05-2023**

**UDIN: 23S05788BGVKQF1696**

**ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF NEOTEC ENTERPRISES LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment,  
(B) The Company has maintained proper records showing full particulars of intangible assets.  
(b) The Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the Property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.  
(c) The Company does not have any immovable properties (which are included under the head 'Property, plant and equipment') and hence reporting under clause 3A(i)c) is not applicable.  
(d) The Company has not revalued any of its Property, Plant and Equipment during the year.  
(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.  
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable.
- iv) The company has not granted any loan, made investment or provide any guarantee or security during the audit period, accordingly clause 3(iv) of the Order is not applicable.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.



- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues, as applicable, to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess and other statutory dues are in arrears, as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, as at March 31, 2023, there are no amount payable in respect of Goods and Service Tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) Since, the company does not have any subsidiary, accordingly reporting under clause 3(ix)(e) is not applicable to the company.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and do not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) (a) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.



(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As informed, there is no complaint received from whistle blower by the Company during the year (and upto the date of this report), and hence reporting under clause 3(xi)(c) is not applicable to the company.

xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

xiii) In our opinion and according to the information and explanation given to us, the company is in compliance with Sections 177 and 188 of Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind AS.

xiv) (a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.

(b) Since, internal audit is not applicable to the company as per Section-138 of Companies Act 2013, hence reporting under clause 3(xiv)(b) is not applicable .

xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

xvi) (a) In our opinion, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii) The Company has incurred cash losses of Rs. 7,85,56,664 /- during the financial year and Rs.2,29,64,360/- in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.





(xx) The provision of Sec 135 of Companies Act 2013 is not applicable to the company, accordingly reporting under clause 3(xx)(a) and (b) is not applicable.

**For MRKS And Associates  
Chartered Accountants  
FRN: 023711N**



**Kamal Ahuja  
(Partner)  
M. No. 505788  
Place: New Delhi  
Date: 22-05-2023**



**UDIN: 23505788BQVKQF1696**

**ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF NEOTEC ENTERPRISES LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**(Referred to in paragraph 2(f) under 'Report on other Legal and regulatory requirements' section of our report of even date)**

In conjunction with our audit of the financial statements of **NEOTEC ENTERPRISES LIMITED** ("the Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

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

The Company's Board of Directors 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 the company's 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 IFCoFR.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's IFCoFR 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 IFCoFR 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 authorisation of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR 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, to the best of our information and according to the explanation given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 MRKS And Associates**  
**Chartered Accountants**  
**FRN: 023711N**



**Kamal Ahuja**  
**(Partner)**

**M. No. 505788**

**Place: New Delhi**

**Date: 22-05-2023**

**UDIN: 23505788BGVKQF1696**

**Neotec Enterprises Limited**  
**Balance Sheet as at 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	452.58	166.72
(b) Other intangible assets	5	1,690.41	-
(c) Intangible assets under development	5A	550.10	-
		<b>2,693.09</b>	<b>166.72</b>
<b>Current assets</b>			
(a) Financial assets			
(i) Trade receivables	6	21,020.29	4,399.63
(ii) Cash and cash equivalents	7	1,633.85	423.46
(iii) Other bank balances	8	1,039.23	308.34
(iv) Other financial assets	9	47.30	56.80
(b) Current tax assets (net)	10	2,481.29	180.03
(c) Other current assets	11	7,738.41	2,955.42
		<b>33,960.37</b>	<b>8,323.68</b>
<b>TOTAL ASSETS</b>		<b>36,653.46</b>	<b>8,490.40</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	12	100.00	100.00
(b) Other equity	13	(1,02,904.12)	(23,661.27)
		<b>(1,02,804.12)</b>	<b>(23,561.27)</b>
<b>Non-current liabilities</b>			
(a) Provisions	14	858.62	985.05
		<b>858.62</b>	<b>985.05</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	1,09,947.22	20,297.17
(ii) Trade payables	16		
Total outstanding dues of micro enterprises and small enterprises		8,443.80	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,914.87	4,777.85
(iii) Other financial liabilities	17	13,033.01	5,180.14
(b) Other current liabilities	18	2,084.39	792.60
(c) Provisions	14	1,175.67	18.86
		<b>1,38,598.96</b>	<b>31,066.62</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>36,653.46</b>	<b>8,490.40</b>


Significant accounting policies and accompanying notes are integral part of the financial statements.

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

For **MRKS & Associates**  
Chartered Accountants  
FRN No. 023711N

  
  
**Kamal Ahuja**  
Partner  
Membership No. 505788

For and on behalf of the Board of Directors

  
**Surinder Kumar Aery**  
Director  
DIN-02430754

  
**Amit Jain**  
Director  
DIN-06802414

Place : New Delhi  
Date : 22 May 2023

Place : New Delhi  
Date : 22 May 2023

UDIN: 23505788B6VK QF1696

**Neotec Enterprises Limited**  
**Statement of profit and loss for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Revenue</b>			
Revenue from operations	19	49,042.42	5,774.45
Other income	20	164.69	39.80
		<b>49,207.11</b>	<b>5,814.25</b>
<b>Expenses</b>			
Employee benefit expenses	21	43,573.44	16,268.68
Finance costs	22	4,266.08	308.82
Depreciation & Amortization expenses	23	435.87	16.08
Other expenses	24	79,924.29	12,498.90
		<b>1,28,199.68</b>	<b>29,092.48</b>
		<b>(78,992.57)</b>	<b>(23,278.23)</b>
<b>Loss before tax</b>			
Tax expense		-	-
		<b>(78,992.57)</b>	<b>(23,278.23)</b>
<b>Net loss for the year</b>			
<b>Other comprehensive income</b>			
(a) Items that will not be reclassified to profit and loss		(250.28)	(371.24)
(b) Items that may be reclassified to profit or loss		-	-
		<b>(250.28)</b>	<b>(371.24)</b>
<b>Other comprehensive income for the year</b>			
<b>Total comprehensive income for the year</b>			
		<b>(79,242.85)</b>	<b>(23,649.47)</b>
<b>Earnings per equity share (Face Value ₹ 10)</b>			
Basic (₹)		(7,899.26)	(2,364.95)
Diluted (₹)		(7,899.26)	(2,364.95)

Significant accounting policies and accompanying notes are integral part of the financial statements.

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

For MRKS & Associates

Chartered Accountants

FRN No. 023711N

  
**Kamal Ahuja**  
 Partner  
 Membership No. 505788

Place : New Delhi  
 Date : 22 May 2023

For and on behalf of the Board of Directors



**Surinder Kumar Aery**  
 Director  
 DIN-02430754

Place : New Delhi  
 Date : 22 May 2023



**Amit Jain**  
 Director  
 DIN-06802414

**Neotec Enterprises Limited**

**Cash flow statement for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(78,992.57)	(23,278.23)
<b>Adjustments for:</b>		
Depreciation expense	435.87	16.08
Gain on mutual fund - realised	(44.39)	-
Interest income	(50.23)	(9.06)
Finance costs	4,266.08	308.82
<b>Operating Loss before working capital changes</b>	<b>(74,385.24)</b>	<b>(22,962.39)</b>
<b>Movement in working capital</b>		
Increase in other financial assets	9.50	(1,611.53)
Increase in other current assets	(4,782.99)	(2,955.42)
Increase in trade receivables	(16,620.67)	(2,844.90)
Increase in trade payables	7,580.82	4,777.85
Increase in other financial liabilities	7,852.88	5,168.35
Increase in other current liabilities	2,071.90	1,425.26
<b>Cash flow used in operating activities post working capital changes</b>	<b>(78,273.80)</b>	<b>(19,002.78)</b>
Income tax paid (net)	(2,301.26)	(180.03)
<b>Net cash flow (used in) operating activities (A)</b>	<b>(80,575.06)</b>	<b>(19,182.80)</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets	(412.14)	(182.80)
Purchase of intangible assets	(2,000.00)	-
Purchase of intangible assets under development	(550.10)	-
Purchase of mutual fund	(17,813.75)	-
Proceeds from sale of mutual fund	17,858.14	-
Movement in fixed deposits	(700.00)	(300.00)
Interest received	19.33	0.72
<b>Net cash flows (used in) investing activities (B)</b>	<b>(3,598.52)</b>	<b>(482.08)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from intercorporate deposits (net)	86,100.00	20,021.00
Interest paid	(716.03)	(32.66)
<b>Net cash flow generated from financing activities (C)</b>	<b>85,383.97</b>	<b>19,988.34</b>
Increase in cash and cash equivalents (A+B+C)	1,210.39	323.46
Cash and cash equivalents at the beginning of the year	423.46	100.00
<b>Cash and cash equivalents at the end of the year (refer note 7)</b>	<b>1,633.85</b>	<b>423.46</b>
<b>Notes:</b>		
<b>a) Cash and cash equivalent comprises of : (refer note 7)</b>		
Cash on hand	900.00	-
Balances with banks		
Current accounts	733.85	423.46
	<b>1,633.85</b>	<b>423.46</b>

**b) Refer note 35 for reconciliation of liabilities arising from financing activities**

Significant accounting policies and accompanying notes are integral part of the financial statements.

This is the Cash Flow Statement referred to in our report of even date.

**For MRKS & Associates**

Chartered Accountants

FRN No. 023711N

  
  
**Kamal Ahuja**  
 Partner  
 Membership No. 505788

Place : New Delhi

Date : 22 May 2023

**For and on behalf of the Board of Directors**



**Surinder Kumar Acry**

Director

DIN-02430754

Place : New Delhi

Date : 22 May 2023



**Amit Jain**

Director

DIN-06802414

Neotec Enterprises Limited

Statement of change in equity for the year ended 31 March 2023

(All amounts in Rs. Thousands, unless otherwise stated)

A Equity share capital (refer note 12)

Particulars	Balance as at 1 April 2022	Movement during the year	Balance as at 31 March 2023
Equity Share Capital	100.00	-	100.00

B Other equity (refer note 13)

Particulars	Securities premium	Retained earnings	Total
Balance as at 1 April 2021	-	(11.80)	(11.80)
Loss for the year	-	(23,649.47)	(23,649.47)
Other comprehensive income; net of income tax	-	-	-
Balance as at 31 March 2022	-	(23,661.27)	(23,661.27)
Loss for the period/ year	-	(79,242.85)	(79,242.85)
Other comprehensive income; net of income tax	-	-	-
Balance as at 31 March 2023	-	(1,02,904.12)	(1,02,904.12)

Significant accounting policies and accompanying notes are integral part of the financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For MRKS & Associates'

Chartered Accountants

FRN No. 023711N

Kamal Ahuja

Partner

Membership No. 505788



For and on behalf of the Board of Directors

Surinder Kumar Aery

Director

DIN-02430754

Amit Jain

Director

DIN-06802414

Place : New Delhi

Date : 22 May 2023

Place : New Delhi

Date : 22 May 2023

## Neotec Enterprises Limited

### Significant accounting policies and notes to the standalone financial statements for the year ended 31 March 2023

(All amount in Rs. Thousands, unless otherwise stated)

#### 1. Corporate information

##### Nature of operations

Neotec Enterprises Limited ("the Company") was incorporated on 17 March 2021 as a wholly owned subsidiary of RattanIndia Enterprises Limited (formerly known as RattanIndia Infrastructure Limited).

The main objects of the Company enable it to engage in the business of providing service to the prospective borrowers, for securing loans for meeting their requirements, from banks / financial institutions and other loan providing entities, without being involved in lending of money or any other activity of lending.

The financial statements for the year ended 31 March 2023 were approved by the Board of Directors on 22 May 2023.

#### 2. General information and statement of compliance with Ind AS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The Company has uniformly applied the accounting policies during the periods presented.

#### 3. Summary of significant accounting policies

##### Overall consideration

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

##### a) Basis of preparation

The financial statements have been prepared on going concern basis under the historical cost basis except for the following:

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans – liability of which is recognised as per actuarial valuation; and
- Share based payments which are measured at fair value of the options

##### b) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company, and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below.

##### Service income

Revenue from services rendered is recognised when services are rendered.

##### Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

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## Neotec Enterprises Limited

### Significant accounting policies and notes to the standalone financial statements for the year ended 31 March 2023

(All amount in Rs. Thousands, unless otherwise stated)

#### *Dividend income*

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

#### c) **Borrowing costs**

Borrowing costs include interest and amortisation of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/ development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Any income earned on the temporary deployment/ investment of those borrowings is deducted from the borrowing costs so incurred. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

#### d) **Property, plant and equipment**

##### *Recognition and initial measurement*

Properties, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

##### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Act.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

##### *De-recognition*

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

#### e) **Intangible assets**

##### *Recognition and initial measurement*

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

##### *Subsequent measurement (amortisation)*

The cost of capitalized software is amortized over a period in the range of three to five years from the date of its acquisition.



**Neotec Enterprises Limited**

**Significant accounting policies and notes to the standalone financial statements for the year ended 31 March 2023**

(All amount in Rs. Thousands, unless otherwise stated)

**f) Impairment of non-financial assets**

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

**g) Financial instruments**

***Initial recognition and measurement***

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, unless the financial instrument is designated to be measured at fair value through profit or loss or fair value through other comprehensive income.

**Financial assets**

***Subsequent measurement***

**Financial assets at amortised cost** – The financial assets are measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model. All investments in mutual funds in scope of Ind AS 109 are measured at fair value through profit and loss (FVTPL).

***De-recognition of financial assets***

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**Financial liabilities**

***Subsequent measurement***

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

***De-recognition of financial liabilities***

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or



## Neotec Enterprises Limited

### Significant accounting policies and notes to the standalone financial statements for the year ended 31 March 2023

(All amount in Rs. Thousands, unless otherwise stated)

modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### h) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company considers:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, lifetime impairment loss is provided otherwise provides for 12 month expected credit losses.

#### i) Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ("OCI") or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss in OCI or equity depending upon the treatment of underlying item.



**Neotec Enterprises Limited**

**Significant accounting policies and notes to the standalone financial statements for the year ended 31 March 2023**

(All amount in Rs. Thousands, unless otherwise stated)

**j) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

**k) Post-employment, long term and short term employee benefits**

***Defined contribution plans***

The Company makes contribution to the statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the services are rendered.

***Defined benefit plans***

Gratuity is post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit actuarial method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

***Other long-term employee benefits***

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

***Short-term employee benefits***

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

**l) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

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## Neotec Enterprises Limited

### Significant accounting policies and notes to the standalone financial statements for the year ended 31 March 2023

(All amount in Rs. Thousands, unless otherwise stated)

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

#### m) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### n) Leases

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

##### **Classification of leases**

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

##### **Recognition and initial measurement**

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

##### **Subsequent measurement**

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.



**Neotec Enterprises Limited**

**Significant accounting policies and notes to the standalone financial statements for the year ended 31 March 2023**

(All amount in Rs. Thousands, unless otherwise stated)

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

**o) Significant management judgment in applying accounting policies and estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

***Significant management judgments***

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements.

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties under the relevant tax jurisdiction (refer note 34).

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Recoverability of advances/receivables** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**Provisions** – At each balance sheet date on the basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions. However, the actual future outcome may be different from this judgment.

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**Neotec Enterprises Limited**

**Significant accounting policies and notes to the standalone financial statements for the year ended 31 March 2023**

(All amount in Rs. Thousands, unless otherwise stated)

***Significant estimates***

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

**Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Useful lives of depreciable/ amortisable assets**

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

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Neotec Enterprises Limited

Significant accounting policies and notes to the financial statements for the year ended 31 March 2023

(All amounts in Rs. Thousands, unless otherwise stated)

4. Property, plant and equipment

Particulars	Office Equipment	Computers	Total
<b>Gross carrying amount</b>			
Balance as at 1 April 2021	-	-	-
Additions	-	182.80	182.80
Disposals/adjustments	-	-	-
<b>Balance as at 31 March 2022</b>	-	<b>182.80</b>	<b>182.80</b>
Additions	10.19	401.95	412.14
Disposals/adjustments	-	-	-
<b>Balance as at 31 March 2023</b>	<b>10.19</b>	<b>584.75</b>	<b>594.94</b>
<b>Accumulated depreciation</b>			
Balance as at 1 April 2021	-	-	-
Charge for the year	-	16.08	16.08
Disposals/adjustments	-	-	-
<b>Balance as at 31 March 2022</b>	-	<b>16.08</b>	<b>16.08</b>
Charge for the year	1.54	124.74	126.28
Disposals/adjustments	-	-	-
<b>Balance as at 31 March 2023</b>	<b>1.54</b>	<b>140.82</b>	<b>142.36</b>
<b>Net carrying amount</b>			
Balance as at 31 March 2022	-	166.72	166.72
Balance as at 31 March 2023	8.65	443.93	452.58

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Neotec Enterprises Limited

Significant accounting policies and notes to the financial statements for the year ended 31 March 2023

(All amounts in Rs. Thousands, unless otherwise stated)

5 Intangible assets

Gross carrying amount	Database	Total
Balance as on 1 April 2022	-	-
Additions	2,000.00	2,000.00
Disposals/ adjustments	-	-
<b>Balance as on 31 March 2023</b>	<b>2,000.00</b>	<b>2,000.00</b>
Accumulated amortisation		
Balance as on 1 April 2022	-	-
Charge for the year	309.59	309.59
Disposals/ adjustments	-	-
<b>Balance as on 31 March 2023</b>	<b>309.59</b>	<b>309.59</b>
Net carrying amount		
Balance as on 31 March 2022	-	-
<b>Balance as on 31 March 2023</b>	<b>1,690.41</b>	<b>1,690.41</b>

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Neotec Enterprises Limited

Significant accounting policies and notes to the financial statements for the year ended 31 March 2023

(All amounts in Rs. Thousands, unless otherwise stated)

5A Intangible assets under development

Particulars	Software	Total
Balance as on 1 April 2022	-	-
Additions	550.10	550.10
Disposals/ adjustments	-	-
<b>Balance as on 31 March 2023</b>	<b>550.10</b>	<b>550.10</b>

Intangible assets under development ageing schedule :-

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2023	550.10	-	-	-	550.10

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**Neotec Enterprises Limited**

**Significant accounting policies and notes to the financial statements for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>6. Trade receivables (Unsecured unless otherwise stated, at amortised cost)</b>		
(i) Considered good - Secured	-	-
(ii) Considered good - Unsecured	21,020.29	4,399.63
(iii) Receivables having significant increase in credit risk	-	-
(iv) Credit impaired	-	-
	<b>21,020.29</b>	<b>4,399.63</b>

Trade receivable ageing schedule for 31 March 2023 and 31 March 2022 is as follows:

Particulars	Year	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable-considered good	2021-22	-	4,399.63	-	-	-	-	4,399.63
	2022-23	-	21,018.53	1.76	-	-	-	21,020.29
Undisputed Trade receivable-credit impaired	2021-22	-	-	-	-	-	-	-
	2022-23	-	-	-	-	-	-	-
Disputed Trade receivable-considered good	2021-22	-	-	-	-	-	-	-
	2022-23	-	-	-	-	-	-	-
Disputed Trade receivable-credit impaired	2021-22	-	-	-	-	-	-	-
	2022-23	-	-	-	-	-	-	-

	As at 31 March 2023	As at 31 March 2022
<b>7. Cash and cash equivalents</b>		
Cash on hand	900.00	-
Current accounts	733.85	423.46
	<b>1,633.85</b>	<b>423.46</b>

	As at 31 March 2023	As at 31 March 2022
<b>8. Other bank balances</b>		
Balances with Scheduled banks - In Fixed Deposit	1,039.23	308.34
	<b>1,039.23</b>	<b>308.34</b>

Note: Fixed deposits amounting to Rs. 10 Lakhs (31 March 2022: 3 Lakhs) are marked under lien by bank for providing credit card facility.

	As at 31 March 2023	As at 31 March 2022
<b>9. Other financial assets</b>		
Accrued Income-Commission	-	-
Advance to Staff	47.30	56.80
	<b>47.30</b>	<b>56.80</b>

	As at 31 March 2023	As at 31 March 2022
<b>10. Current tax assets (net)</b>		
Advance income-tax (net)	2,481.29	180.03
	<b>2,481.29</b>	<b>180.03</b>

	As at 31 March 2023	As at 31 March 2022
<b>11. Other assets (unsecured, considered good)</b>		
Advances recoverable	155.57	862.61
Prepaid expenses	978.91	1,141.13
Balances with statutory authorities	6,603.93	951.68
	<b>7,738.41</b>	<b>2,955.42</b>

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**Neotec Enterprises Limited**

**Significant accounting policies and notes to the financial statements for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

**12. Equity share capital**

**Authorised capital**

150,000 (31 March 2022: 150,000) equity shares of Rs.10 each

**Issued, subscribed capital and fully paid up**

10,000 (31 March 2022: 10,000) equity shares of Rs.10 each fully paid up

	As at 31 March 2023	As at 31 March 2022
	1,500.00	1,500.00
	<b>1,500.00</b>	<b>1,500.00</b>
	100.00	100.00
	<b>100.00</b>	<b>100.00</b>

**a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.**

	As at 31 March 2023		As at 31 March 2022	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	10,000	100.00	10,000	100.00
Add : Issued during the year	-	-	-	-
<b>Equity shares at the end of the year</b>	<b>10,000</b>	<b>100.00</b>	<b>10,000</b>	<b>100.00</b>

**b) Rights/restrictions attached to equity shares**

The Company has only one class of equity shares with voting rights, having a par value of Rs.10 per share. Each shareholder of equity shares is entitled to one vote per share held. Each share is entitled to dividend, if declared, in Indian Rupees. The dividend, if any, proposed by Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

**c) Detail of shareholders holding more than 5% equity shares**

Promoter name	As at 31 March 2023		As at 31 March 2022	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares of Rs 10 each fully paid up				
RattanIndia Enterprises Limited and its nominees	10,000	100%	10,000	100%

**d) Detail of shares held by promoters:-**

Promoter name	Year	No. of shares	% of total shares	% Change during the year
RattanIndia Enterprises Limited and its nominees	March 2023	10,000	100%	-
RattanIndia Enterprises Limited and its nominees	March 2022	10,000	100%	-

**13. Other equity**

**Retained earnings**

Opening balance

Add : Loss for the year

**Closing balance**

	As at 31 March 2023	As at 31 March 2022
	(23,661.27)	(11.80)
	(79,242.85)	(23,649.47)
	<b>(1,02,904.12)</b>	<b>(23,661.27)</b>

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	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Non-current		Current	
<b>14. Provisions</b>				
<b>Provision for employee benefits</b>				
Provision for compensated absences (unfunded)	342.60	402.72	453.69	15.97
Provision for gratuity (unfunded)	516.02	582.33	721.98	2.89
	<b>858.62</b>	<b>985.05</b>	<b>1,175.67</b>	<b>18.86</b>

#### 15. Borrowings

- Inter corporate deposits from the Holding Company \*
- Inter corporate deposits from the Sub-Subsidiary Company \*

	As at 31 March 2023	As at 31 March 2022
	59,546.37	20,297.17
	50,400.85	-
	<b>1,09,947.22</b>	<b>20,297.17</b>

\* - Inter corporate deposits are recoverable on demand and it includes accrued interest amounting to Rs. 1925.37 and Rs. 1900.85 thousands from RIEL (holding Company) and TAS (Sub-Subsidiary Company) respectively.

#### 16. Trade payables

- Outstanding dues of micro enterprises and small enterprises
- Outstanding dues of creditors other than micro enterprises and small enterprises

	As at 31 March 2023	As at 31 March 2022
	8,443.80	-
	3,914.87	4,777.85
	<b>12,358.67</b>	<b>4,777.85</b>

#### Trade payables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME - 31 March 2023	8,443.80	-	-	-	8,443.80
MSME - 31 March 2022	-	-	-	-	-
(ii) Others - 31 March 2023	3,914.87	-	-	-	3,914.87
Others - 31 March 2022	4,777.85	-	-	-	4,777.85

#### 17. Other financial liabilities

- Interest Accrued but not due - Inter Corporate Deposits
- Expenses payable
- Audit fee payable

	As at 31 March 2023	As at 31 March 2022
	-	-
	12,895.76	5,144.14
	137.25	36.00
	<b>13,033.01</b>	<b>5,180.14</b>

#### 18. Other current liabilities

- Statutory dues payable
- Employee welfare fund

	As at 31 March 2023	As at 31 March 2022
	2,008.39	775.80
	76.00	16.80
	<b>2,084.39</b>	<b>792.60</b>

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**Neotec Enterprises Limited****Significant accounting policies and notes to the financial statements for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>19. Revenue from operations</b>		
<b>Operating revenue</b>		
Income from Commission	49,031.77	5,155.25
Income from processing fees	10.65	619.20
	<b>49,042.42</b>	<b>5,774.45</b>
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>20. Other income</b>		
Interest on :		
Interest on Income tax refund	2.38	-
Interest on Deposit Accounts	50.23	9.06
Profit on Mutual Funds (realised)	44.39	-
Miscellaneous Income	67.69	30.74
	<b>164.69</b>	<b>39.80</b>
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>21. Employee benefit expenses</b>		
Salaries and wages	41,613.19	15,261.32
Contribution to provident and other funds	1,098.88	265.34
Provision for Gratuity (refer note 25)	402.50	213.98
Provision for compensated absences (refer note 25)	422.39	518.25
Staff welfare expenses	36.48	9.79
	<b>43,573.44</b>	<b>16,268.68</b>
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>22. Finance costs</b>		
<b>Interest on</b>		
Inter corporate deposits	4,251.35	306.85
Delayed payment of taxes	14.73	1.97
	<b>4,266.08</b>	<b>308.82</b>
<b>23. Depreciation</b>		
<b>Depreciation on</b>		
Property, plant and equipment	126.28	16.08
<b>Amortisation on</b>		
Intangible assets	309.59	-
	<b>435.87</b>	<b>16.08</b>

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	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>24. Other expenses</b>		
Telecallee Cost	41,616.04	2,491.78
Management Support Services	12,201.73	-
Software	9,425.34	2,851.94
Legal and Professional Charges	7,731.39	1,483.00
Business Promotion	3,929.79	5,251.72
Commission & Brokerage	3,705.82	-
Membership and Subscription Fees	448.28	102.98
Travelling and Conveyance	367.41	39.05
Payments to the Auditors (Refer below)	160.00	46.82
Repairs and Maintenance - Others	145.68	3.30
Loss on foreign currency transaction and translation (net)	89.89	84.56
Bank Charges	37.82	17.66
Rates and Taxes	31.99	71.93
Printing and Stationery	20.86	16.62
Repairs and Maintenance - Office	6.00	4.05
Postage and Telegram	3.52	32.67
Insurance Expenses	1.48	0.83
Communication	1.25	-
	<b>79,924.29</b>	<b>12,498.90</b>

**Payment to auditors**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
- Audit fee	150.00	40.00
- Other certifications	10.00	6.82
	<b>160.00</b>	<b>46.82</b>

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**Neotec Enterprises Limited****Significant accounting policies and notes to the financial statements for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

**25 Employee benefits****Defined contribution:**

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the Company make pre-determined contributions to the provident fund. The contributions are normally based upon a proportion of the employee's salary. The Company has recognized in the statement of profit and loss an amount of Rs. 1098.88 Thousand (31 March 2022: Rs. 265.34) towards employer's contribution towards provident fund.

**Defined benefits:**

Provision for unfunded gratuity payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2023. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the other comprehensive income, as applicable and as identified by the management of the Company.

**Other benefits:**

Provision for unfunded compensated absences payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2023. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the statement of profit and loss, as applicable and as identified by the management of the company.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of gratuity and compensated absences and the amounts recognised in the financial statements for the year ended 31 March 2023:

Particulars	Gratuity		Compensated absences	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b><u>Liability recognised in the balance sheet</u></b>				
Present value of obligation as at the beginning of the year	585.22	-	418.69	-
Current service cost	355.86	197.10	262.10	141.54
Interest cost	46.64	16.88	35.91	10.40
Benefits paid	-	-	(44.78)	(99.56)
Actuarial losses/ (gains)	250.28	371.24	124.37	366.31
<b>Net liability in the balance sheet (as per actuarial valuation)</b>	<b>1,238.00</b>	<b>585.22</b>	<b>796.29</b>	<b>418.69</b>
<b><u>Expenses during the year</u></b>				
Current service cost	355.86	197.10	262.10	141.54
Interest cost	46.64	16.88	35.91	10.40
Actuarial (gains)/ losses	-	-	124.37	366.31
<b>Component of defined benefit cost charged to statement of profit and loss</b>	<b>402.50</b>	<b>213.98</b>	<b>422.39</b>	<b>518.25</b>
<b>Remeasurement of post-employment benefit obligations:</b>				
Actuarial losses/ (gains)	250.28	371.24	-	-
<b>Component of defined benefit cost recognised in other comprehensive income</b>	<b>250.28</b>	<b>371.24</b>	<b>-</b>	<b>-</b>

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**Neotec Enterprises Limited**

**Significant accounting policies and notes to the financial statements for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

**Actuarial (gains)/ losses on obligation**

Particulars	Gratuity		Compensated absences	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Actuarial (gain)/ loss on arising from change in demographic assumption	-	-	-	-
Actuarial (gain)/ loss on arising from change in financial assumption	152.77	(28.59)	108.61	(23.42)
Actuarial (gain)/ loss on arising from change in experience adjustment	168.04	(17.34)	4.15	136.77

The actuarial valuation in respect of commitments and expenses relating to unfunded gratuity and compensated absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

**a) Economic assumptions**

Particulars	31 March 2023	31 March 2022
Discount rate	7.36%	7.18%
Expected return on plan assets	N/A	N/A
Expected rate of salary increase	7.00%	5.00%

**b) Demographic assumptions**

Particulars	31 March 2023	31 March 2022
Retirement age	60 Years	60 Years
Mortality table	IALM (2012 - 14)	IALM (2012 - 14)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
- Upto 30 Years	3	3
- From 31 to 44 Years	2	2
- Above 44 Years	1	1

The employer's best estimate of contributions expected to be paid during the annual period beginning after the balance sheet date, towards gratuity and compensated absences is Rs. 832.54 thousand (31 March 2022: Rs. 657.97 thousand) and Rs. 368.99 thousand (31 March 2022: Rs. 355.79 thousand) respectively.

**c) Sensitivity analysis of defined benefit obligation**

Particulars	31 March 2023	31 March 2022
<b>a) Impact of the change in discount rate</b>		
i) Impact due to increase of 0.50% (31 March 2022: 0.50%)	(106.14)	(81.08)
ii) Impact due to decrease of 0.50% (31 March 2022: 0.50%)	100.88	87.79
<b>b) Impact of the change in salary increase</b>		
i) Impact due to increase of 0.50% (31 March 2022: 0.50%)	101.02	89.52
ii) Impact due to decrease of 0.50% (31 March 2022: 0.50%)	(106.60)	(82.46)

Sensitivities due to mortality & withdrawals are not material and hence impact of change is not calculated. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

**d) Maturity profile of defined benefit obligation**

Particulars	31 March 2023	31 March 2022
Less than 1 year	1,175.67	18.86
Year 1 to 5	45.11	69.65
More than 5 years	813.51	915.39

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Neotec Enterprises Limited

Significant accounting policies and notes to the financial statements for the year ended 31 March 2023

(All amounts in Rs. Thousands, unless otherwise stated)

26 Expenditure in foreign currency

Net Foreign Currency exposures that are not covered by derivative instrument are as follow:

Particulars	Currency	31 March 2023	31 March 2022
Foreign Exchange Expenses:			
Software Licences	USD	87.04	-
<b>Total</b>		<b>87.04</b>	<b>-</b>

27 Unhedged Foreign Currency

Net Foreign Currency exposures that are not covered by derivative instrument are as follow:

As at 31 March 2023	Currency	31 March 2023
Trade Payables	USD	8.45

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**Neotec Enterprises Limited****Significant accounting policies and notes to the financial statements for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

**28 Financial instruments****(i) Fair values hierarchy**

Financial assets and financial liabilities are measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**(ii) Fair value of financial assets and liabilities are measured at amortised cost**

The carrying amount of financial assets and financial liabilities are measured at amortised cost in the financial statements are a reasonable approximation of their fair values.

**29 Financial risk management****(i) Financial instruments by category**

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Trade receivables	-	-	21,020.29			4,399.63
Cash and cash equivalents	-	-	1,633.85		-	423.46
Other bank balances	-	-	1,039.23	-	-	308.34
Other financial asset	-	-	47.30	-	-	56.80
<b>Total</b>	-	-	<b>23,740.67</b>	-	-	<b>5,188.23</b>
<b>Financial liabilities</b>						
Borrowings	-	-	1,09,947.22	-	-	20,297.17
Trade payables	-	-	3,914.87	-	-	4,777.85
Other financial liabilities	-	-	13,033.01	-	-	5,180.14
<b>Total</b>	-	-	<b>1,26,895.10</b>	-	-	<b>30,255.16</b>

**(ii) Risk management**

The Company is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk. The most significant financial risks to which the Company is exposed are described below:

**A) Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. Credit risk arises from cash and cash equivalents, trade receivables and deposits with banks and financial institutions. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March, as summarised below:

Particulars	31 March 2023	31 March 2022
Trade receivables	21,020.29	4,399.63
Cash and cash equivalents	1,633.85	423.46
Other bank balances	1,039.23	308.34
Other financial asset	47.30	56.80

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The company's management considers that all of the above financial assets are not impaired and/ or past due for each of the above assets reporting dates under review are of good credit quality.

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**Neotec Enterprises Limited****Significant accounting policies and notes to the financial statements for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

**B) Liquidity risk****Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2023	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings	1,09,947.22	-	-	1,09,947.22
Trade payables	3,914.87	-	-	3,914.87
Other financial liabilities	13,033.01	-	-	13,033.01
<b>Total</b>	<b>1,26,895.10</b>	<b>-</b>	<b>-</b>	<b>1,26,895.10</b>

31 March 2022	Less than 1 year	1-5 year	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings	20,297.17	-	-	20,297.17
Trade payables	4,777.85	-	-	4,777.85
Other financial liabilities	5,180.14	-	-	5,180.14
<b>Total</b>	<b>30,255.16</b>	<b>-</b>	<b>-</b>	<b>30,255.16</b>

**C) Market risk****a) Interest rate risk**

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2023, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

Below is the overall exposure of the Company to interest rate risk:

Particulars	31 March 2023	31 March 2022
Borrowing	1,09,947.22	20,297.17

**Sensitivity**

Below is the sensitivity of profit or loss and equity due to changes in interest rates, assuming no change in other variables:

Particulars	31 March 2023	31 March 2022
Interest rates – increase by 100 basis points (31 March 2022: 100 basis points)	(1,099.47)	(202.97)
Interest rates – decrease by 100 basis points (31 March 2022: 100 basis points)	1,099.47	202.97

**30 Capital management**

The Company's capital management objectives are

- To ensure the Company's ability to continue as a going concern
- To provide an adequate return to shareholders

The Company's capital management objectives are to maintain a positive equity balance.

Particulars	31 March 2023	31 March 2022
Long-term borrowings	-	-
Current maturities of long-term borrowings	-	-
Short-term borrowings	1,09,947.22	20,297.17
Interest accrued on borrowings	-	-
<b>Total borrowings</b>	<b>1,09,947.22</b>	<b>20,297.17</b>
Less:		
Cash and cash equivalents	1,633.85	423.46
Other bank balances	1,039.23	308.34
<b>Net debts</b>	<b>1,07,274.14</b>	<b>19,565.37</b>
<b>Total equity<sup>(i)</sup></b>	<b>(1,02,804.12)</b>	<b>(23,561.27)</b>
<b>Net debt to equity ratio</b>	<b>-104.35%</b>	<b>-83.04%</b>

(i) Equity includes capital and all reserves of the Company that are managed as capital.



**Neotec Enterprises Limited****Significant accounting policies and notes to the financial statements for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

- 31 As per Ind AS "Related Party Disclosure", the related parties where control exists or where significant influence exists and with whom transactions have taken place are as below:

<u>Nature of relationship</u>	<u>Related parties</u>
<b>I. Holding Company</b>	RattanIndia Enterprises Limited
<b>II. Fellow subsidiaries</b>	RattanIndia Investment Manger Private Limited (w.e.f. 19 June 2021) Neotec Insurance Brokers Limited (w.e.f. 15 November 2021) Cocoblu Retail Limited (w.e.f. 03 November 2021) Neosky India Limited (w.e.f. 20 September 2021) Neobrands Limited (w.e.f. 10 November 2022) Revot Intellicorp Pvt. Ltd. (Associate until 12 January 2023 & Subsidiary wef 13 January 2023) RattanIndia Enterprises Limited Employee Welfare Trust* Neorise Technologies-FZCO (w.e.f. 27 December 2021)
<b>II. Fellow Sub-subsidiaries</b>	Throttle Aerospace System Private Limited (w.e.f. 25 May 2022) (60% subsidiary of Neosky India Ltd)

\* RattanIndia Enterprises Limited Employees Welfare Trust is not a related party as per the definition under IND AS 24. However, the same has been included in view of good corporate governance practice.

**III. Key Management Personnel:**

<b>Name</b>	<b>Designation</b>
Rajiv Rattan*	Director and Chairman of the Holding company
Amit Jain (PAN:- AFKPJ7410C)	Chief Financial Officer of the Holding company (w.e.f. 02 April 2022 to 19 May 2023)
Amit Jain (PAN:- AEUPJ931111)	Chief Financial Officer of the Holding company (from 11 October 2021 to 02 April 2022)
Vinu Balwant Saini (PAN:- AFSPB8478G)	Chief Financial Officer of the Holding company (w.e.f. 20 May 2023)
Vikas Kumar Aduka	Chief Financial Officer of the Holding company (upto 29 April 2021)
Rajesh Arora	Company Secretary of the Holding company (w.e.f. 14 October 2021)
Ram Kumar Agarwal	Company Secretary of the Holding company (upto 13 October 2021)
Sumnder Kumar Acry	Director of the company (w.e.f. 17 March 2021)
Sudeep Kumar	Director of the company (from 17 March 2021 to 25 June 2022)
Amit Jain	Director of the company (w.e.f. 17 March 2021)
Manoj Kumar	Director of the company (w.e.f. 25 June 2022)
Amitav Pangrahi	Chief Executive Officer of the company (from 16 February 2022 to 02 September 2022)

\*Retransition from Executive Director (Chairman) to Non-Executive Director (Chairman) w.e.f. 29.10.2022

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Neotec Enterprises Limited

Significant accounting policies and notes to the financial statements for the year ended 31 March 2023

(All amounts in Rs. Thousands, unless otherwise stated)

IV. Summary of significant transactions with related parties for the year ended 31 March 2023 and 31 March 2022:

Name	For the year ended	Reimbursement of Shared cost	Short-term borrowings taken	Short-term borrowings repaid	Interest expense on borrowings
<b>Holding company</b>					
RattanIndia Enterprises Limited	31 March 2023	12,201.73	1,03,900.00	66,300.00	2,139.30
	31 March 2022	-	20,297.17		306.85
<b>Subsidiary/ Sub Subsidiary</b>					
Throttle Aerospace System Private Limited	31 March 2023	-	60,000.00	15,000.00	2,112.05
	31 March 2022	-	-	-	-

		Short term employment benefit	Post-employment benefit
Amitav Panigrahi	31 March 2023	4,125.99	(65.30)
	31 March 2022	1,719.31	65.30

V. Outstanding balances as at 31 March 2023 and 31 March 2022:

Name	For the year ended	Reimbursement of Shared cost	Short-term borrowings taken	Interest payable on borrowings taken
<b>Holding company</b>				
RattanIndia Enterprises Limited	31 March 2023	6,261.32	57,621.00	1,925.37
	31 March 2022	-	20,297.17	-
<b>Subsidiary</b>				
Throttle Aerospace System Private Limited	31 March 2023	-	48,500.00	1,900.85
	31 March 2022	-	-	-



**Neotec Enterprises Limited**

**Significant accounting policies and notes to the financial statements for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

**32 Earnings per share:**

Particulars	For the year ended 31 March 2023	For the period ended 31 March 2022
Loss after tax	-78,992.57	-23,278.23
Weighted average number of equity shares used in computing basic earnings per share	10,000	10,000
Weighted average number of equity shares used in computing diluted earnings per share	10,000	10,000
Nominal value per equity share - (Rs.)	10.00	10.00
Basic earnings per equity share - (Rs.)	-7,899.26	-2,327.82
Diluted earnings per equity share - (Rs.)	-7,899.26	-2,327.82

**33 Effective tax reconciliation**

Particulars	For the year ended 31 March 2023	For the period ended 31 March 2022
<b>Loss before tax</b>	<b>-78,992.57</b>	<b>-23,278.23</b>
Domestic tax rate	26.00% <sup>a</sup>	26.00% <sup>a</sup>
<b>Expected tax expense (A)</b>	<b>-20,538.07</b>	<b>-6,052.34</b>
Deferred tax assets not recognized	20,538.07	6,052.34
<b>Total adjustments (B)</b>	<b>20,538.07</b>	<b>6,052.34</b>
<b>Actual tax expense (C=A+B)</b>	<b>-</b>	<b>-</b>
Tax expense comprises	-	-
Current tax expense	-	-
<b>Tax expense recognized in statement of profit and loss (D)</b>	<b>-</b>	<b>-</b>

34 Deferred tax assets have not been recognized in respect of unabsorbed business loss amounting to Rs. 78,992.57 thousands as at 31 March 2023 (31 March 2022: Rs. 23,278.23 thousands). These unabsorbed business losses will expire over a period of eight years from the end of respective reporting periods.

**35 Reconciliation of liabilities arising from financing activities**

Particulars	Long-term borrowings	Short-term borrowings	Total
<b>Cash flows:</b>			
Receipt of borrowing	-	86,100.00	86,100.00
<b>As at 31 March 2022</b>	<b>-</b>	<b>86,100.00</b>	<b>86,100.00</b>
<b>Cash flows:</b>			
Receipt of borrowing	-	20,021.00	20,021.00
<b>As at 31 March 2023</b>	<b>-</b>	<b>20,021.00</b>	<b>20,021.00</b>

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## 36 Financial Ratios

Particulars	Numerator/ Denominator	31 March 2023	31 March 2022	Variance	Reason for variance
Current ratio (in times)	Current assets/ Current liabilities	0.25	0.27	(4.00)%	
Debt - equity ratio (in times)	Total debt/ Shareholder's equity	(1.07)	(0.86)	23.57%	There was an increase in Inter company borrowings from group companies for operations.
Debt service coverage ratio (in times)	Earning available for debt service/ Debt service	(0.65)	(1.11)	(41.53)%	Due to increase in loss and increase in loan repayment
Return on equity (ROE in percentage)	Net profits after taxes/ Average shareholder's equity	(119.09)%	(198.34)%	73.85%	Current year losses has resulted into decline in the ratio.
Trade receivables turnover ratio (in times)	Revenue/ Average trade receivables	0.26	0.38	(20.42)%	
Trade payable turnover ratio (in times)	Purchase of services and other expenses/ Average trade payables	18.39	5.23	(59.96)%	Due to increase in purchase and increase in average trade payable
Net capital turnover ratio (in times)	Revenue*/ Working capital	(0.47)	(0.25)	94.52%	Due to increase in revenue and reduction in net working capital
Net Profit ratio (in percentage)	Net profit/ Revenue*	(153.73)%	(403.12)%	249.40%	Due to increase in revenue and efficiencies in operational cost
Return on capital employed (ROCE in percentage)	Earning before interest and tax/ Capital employed	(1450.13)%	648.80%	-2098.93%	Current year losses and increase in borrowings

\* Revenue excludes other income.

## 37 Stock Option Schemes of RattanIndia Enterprises Limited ("REL ESOP 2022"):

RattanIndia Enterprises Limited Employee Stock Option Plan 2022 ("REL ESOP 2022") has been formulated by Board of Directors of the **Holding Company** pursuant to the authority vested in it by the shareholders by the resolution passed through postal ballot of the company result which was declared on August 3, 2022, which will be administered through REL Employee Welfare trust (hereinafter "trust"). The Trust was formed with the objects of welfare, retain/ motivate employee of the company, its associates, subsidiaries, and group companies (as per SEBI SBEB Regulations) through appropriate rewards and incentives. The trust shall make secondary market acquisition for the purpose of the Scheme in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The pool options proposed to be offered under the Scheme shall be up to a maximum of 5% of the paid-up capital of the company.

During the quarter ended March 31, 2023, the Trust has acquired 1,381,988 equity shares of the company from the open market at an average price of Rs 35.77 per share against the loan taken from the company amounting to Rs 500 lacs which is payable on demand. As of March 31, 2023, Trust holds 1,381,988 equity shares (Face value of Rs. 2 each) of the company. There are NIL grants to the employees during the year ended March 31, 2023. The un-appropriated inventory of shares which are not backed by grants, acquired through secondary acquisition by the Trust, shall be appropriated latest by the end of subsequent financial year or the second subsequent financial year subject to approval of the compensation committee/nomination and remuneration committee for such extension to the second subsequent financial year.

The Committee has prescribe the vesting schedule of the options granted under the plan, unless otherwise decided in exceptional cases like

Vesting Dates	Vesting Percentage
1st Anniversary from date of Grant	20% of Options granted
2nd Anniversary from date of Grant	20% of Options granted
3rd Anniversary from date of Grant	20% of Options granted
4th Anniversary from date of Grant	20% of Options granted
5th Anniversary from date of Grant	20% of Options granted

38 In the opinion of the Board of Directors, all current and non-current assets, appearing in the balance sheet as at 31 March 2023; 31 March 2022 have a value on realisation in the ordinary course of the Company's business at least equal to the amount at which they are stated in balance Sheet.





**Neotec Enterprises Limited****Significant accounting policies and notes to the financial statements for the year ended 31 March 2023**

(All amounts in Rs. Thousands, unless otherwise stated)

**39 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006.**

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	8443.80	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	Nil	Nil
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.	Nil	Nil
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

40 There are no contingent liabilities and other commitments as on 31 March 2023 and 31 March 2022.

41 The figures for the pervious year are re-casted/ re-grouped, wherever necessary.

**For MRKS & Associates**

Chartered Accountants

FRN No. 023711N



**Kamal Ahuja**  
Partner  
Membership No. 505788

**For and on behalf of the Board of Directors**

**Surinder Kumar Aery**  
Director  
DIN-02430754



**Amit Jain**  
Director  
DIN-06802414

Place : New Delhi

Date : 22 May 2023

Place : New Delhi

Date : 22 May 2023