



INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF
CONCORD CONTROL SYSTEMS PRIVATE LIMITED

Report on the audit of the financial statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **CONCORD CONTROL SYSTEMS PRIVATE LIMITED** ("hereinafter referred to as the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise of the consolidated Balance Sheet as at March 31, 2020, and the consolidated Statement of Profit and Loss for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013 ('Act')** in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2020 and its profit for the year ended on that date.

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding 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 control, that were operating effectively for





the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Holding 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 Holding Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Holding Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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



to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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



- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books;
- (c) The balance sheet and the statement of profit and loss, dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) Since the Group's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Group is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group does not have any pending litigations which would impact its financial position.





- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For **A.Sachdev & Co.**
Chartered Accountants
FRN:-001307C

(CA Kumar Sankalp)

Partner

M. No.:-414846

UDIN:-2144846AAAA BL 7469

Place: Lucknow
Date:- 12/12/2020.

CONCORD CONTROL SYSTEMS PVT. LTD.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2020

CIN:-U31908UP2011PTC043229

		(Amount In Rs.)	
Particulars	Note No.	At 31-March-2020	At 31-March-2019
EQUITY AND LIABILITIES			
<u>Shareholder's Funds</u>			
Share Capital	2	2,000,000.00	2,000,000.00
Reserves and Surplus	3	32,692,158.17	22,566,125.83
Minority Interest		32,604.91	
<u>Share Application money pending allotment</u>		-	-
<u>Non-Current Liabilities</u>			
Long-Term Borrowings	4	2,988,322.06	749,028.00
Deferred Tax Liabilities (Net)	5	403,820.69	91,710.23
Other Long Term Liabilities		-	-
Long Term Provisions		-	-
<u>Current Liabilities</u>			
Short-Term Borrowings	6	19,052,125.94	15,939,350.40
Trade Payables	7	20,323,651.11	16,795,105.38
Other Current Liabilities	8	1,423,131.92	1,248,528.51
Short-Term Provisions	9	4,825,961.00	3,425,750.00
TOTAL		83,741,775.80	62,815,598.35
ASSETS			
<u>Non-Current Assets</u>			
Fixed Assets	10	12,779,872.38	8,702,923.80
Non-current investments	11	25,000.00	-
Long term loans and advances	12	3,314,435.48	936,976.00
Other non-current assets	13	850,145.12	509,600.12
<u>Current Assets</u>			
Inventories	14	18,591,043.03	17,095,416.78
Trade receivables	15	38,844,838.34	29,656,325.33
Cash and cash equivalents	16	503,492.06	175,045.97
Short-term loans and advances	17	132,891.00	-
Other current assets	18	8,700,058.39	5,739,310.35
TOTAL		83,741,775.80	62,815,598.35

Significant Accounting Policies & Notes on accounts 1 to 23

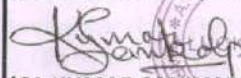
As per our Report of even date attached.

FOR A. SACHDEV & CO.

CONCORD CONTROL SYSTEMS PVT. LTD.

CHARTERED ACCOUNTANTS

Firm Reg. No.: 001307C



(CA KUMAR SANKALP)

(Partner)

Membership No. 414846

UDIN - 21414846AAAA8L7469

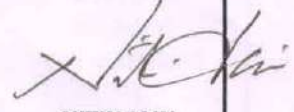
Dated: 12/12/2020

Place: LUCKNOW



GAURAV LATH
(Director)

DIN- 00581405

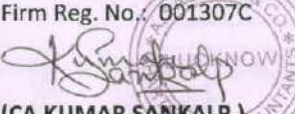

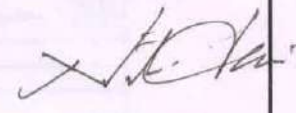


NITIN JAIN
(Director)

DIN- 03385362

CONCORD CONTROL SYSTEMS PVT. LTD.

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount In Rs.)			
Particulars	Note No.	For the Year ended 31.3.2020	For the Year ended 31.3.2019
INCOME			
Revenue from operations		155,848,461.56	136,045,194.70
Other Income	19	3,076,712.91	3,345,001.57
Total Revenue		158,925,174.47	139,390,196.27
EXPENDITURE			
Purchase of Stock in Trade		102,162,866.17	94,429,355.08
(Increase)/ Decrease in Stock-in-Trade	20	(1,495,626.25)	1,601,779.26
Employee benefits expenses	21	11,359,688.81	7,676,090.00
Finance Cost	22	911,929.28	1,557,068.62
Depreciation	10	1,313,697.96	745,267.68
Other Expenses	23	30,681,870.79	23,756,000.10
Total Expenses		144,934,426.76	129,765,560.74
Profit before exceptional and extraordinary items and tax		13,990,747.71	9,624,635.53
Profit before extraordinary items and tax		13,990,747.71	9,624,635.53
Extraordinary Items		-	-
Profit before tax		13,990,747.71	9,624,635.53
Tax expense:			
(1) Current tax		(3,560,000.00)	(2,476,876.00)
(2) Deferred tax		(312,110.46)	(58,780.23)
(3) Income Tax of Previous Year			
Profit(Loss) for the year		10,118,637.25	7,088,979.30
Minority Interest		(7,395.09)	-
Profit(Loss) for the year after minority interest		10,126,032.34	7,088,979.30
Earning per equity share:			
- Basic & Diluted		50.59	35.44
Significant Accounting Policies & Notes on accounts		1 to 23	
CONCORD CONTROL SYSTEMS PVT. LTD.			
As per our Report of even date attached.			
FOR A. SACHDEV & CO.			
CHARTERED ACCOUNTANTS			
Firm Reg. No. 001307C			
			
(CA KUMAR SANKALP)			
(Partner)			
Membership No. 414846			
UDIN - 21414846AAAA BL7469			
Dated: 21/4/2020			
Place: LUCKNOW			
			
GAURAV LATH			
(Director)			
DIN- 00581405			
			
NITIN JAIN			
(Director)			
DIN- 03385362			

CONCORD CONTROL SYSTEMS PVT. LTD.

Notes forming part of the Financial Statements for the year ended 31st March, 2020

CIN:-U31908UP2011PTC043229

Note : 2 Share Capital			
Sr. No	Particulars	Current Year	Previous Year
1	AUTHORIZED CAPITAL 5,00,000 (P.Y. 5,00,000) Equity Shares of Rs.10/- each	50,00,000.00	50,00,000.00
		50,00,000.00	50,00,000.00
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL 2,00,000 (P.Y. 2,00,000) Equity Shares of Rs.10/- each	20,00,000.00	20,00,000.00
	Total	20,00,000.00	20,00,000.00

Note 2.1:-Details of shareholders holding more than 5% of the Equity Shares in the Co.:					
Sr. No.	Name of the Shareholders	As at 31st March, 2020		As at 31st March, 2019	
		No of Shares held	% of Holding	No of Shares held	% of Holding
1	Gaurav Lath	100000	50	1,00,000.00	50.00
2	Nitin Jain	100000	50	1,00,000.00	50.00
	TOTAL	200000	100	2,00,000.00	100.00

Note : 3 Reserves & Surplus			
Sr. No	Particulars	Current Year	Previous Year
1	Securities Premium reserve	65,00,000.00	65,00,000.00
2	Profit & Loss Account As Per Last Balance Sheet Add: Profit for the Year Closing Balance of Profit & Loss Account	1,60,66,125.83 1,01,33,405.29 2,61,99,531.13	89,77,146.53 70,88,979.30 1,60,66,125.83
	Total	3,26,99,531.13	2,25,66,125.83

Note : 4 Long Term Borrowings			
Sr. No	Particulars	Current Year	Previous Year
1	Unsecured Directors	-	3,04,613.00
2	Secured Bank Term Loan (Secured against hypothecation of Plant & Machinery)	3,78,137.31	4,44,415.00
3	HDFC Car Loan (Secured against hypothecation of Car)	26,10,184.75	-
	Total	29,88,322.06	7,49,028.00

Note: 5 Deferred Tax Liabilities(Net) [As per Accounting Standard (AS-22)'Accounting for taxes on Income']			
Sr. No	Particulars	Current Year	Previous Year
1	WDV as per Companies Act, 2013[A]	1,27,79,872.38	51,04,423.80
2	WDV as per Income Tax Act, 1961[B]	1,10,08,729.00	48,78,346.00
3	Temporary Timing Difference[C=A-B]	17,71,143.38	2,26,077.80
	Deferred Tax Liabilities[C*22.80%]	4,03,820.69	58,780.23
	Net Deffered Tax Liability	4,03,820.69	91,710.23

Note : 6 Short Term Borrowings			
Sr. No	Particulars	Current Year	Previous Year
1	Secured Bank CC -Canara Bank (Secured against hypothecation of Stock & Debtors) Bank CC -HDFC Bank (Secured against hypothecation of Stock & Debtors)	- 1,89,92,125.94	1,59,21,019.60 (13,716.00)
2	Unsecured Advance from Related Party Advance from Director	60,000.00 -	- 32,046.80
	Total	1,90,52,125.94	1,59,39,350.40

Note : 7 Trade Payables			
Sr. No	Particulars	Current Year	Previous Year
1	Creditors	2,03,23,651.11	1,67,95,105.38
	Total	2,03,23,651.11	1,67,95,105.38



Gaurav

CONCORD CONTROL SYSTEMS PVT. LTD.

Notes forming part of the Financial Statements for the year ended 31st March, 2020

CIN:-U31908UP2011PTC043229

Note : 8 Other Current Liabilities			
Sr. No	Particulars	Current Year	Previous Year
1	Director's Salary Payable	-	1,00,000.00
3	Duties and Taxes	4,12,843.00	2,80,040.10
4	Staff Salary Payable	35,901.00	3,73,773.00
5	Advance Recd. From Customers	7,30,218.00	2,68,202.00
6	Expenses Payable	2,44,169.92	2,26,513.41
	Total	14,23,131.92	12,48,528.51

Note : 9 Short Term Provisions			
Sr. No	Particulars	Current Year	Previous Year
1	Provision for Tax	35,60,000.00	24,76,876.00
2	Provision for Audit Fees	60,000.00	40,000.00
3	Provision for Expenses	96,279.00	2,02,783.00
4	Provision for Gratuity	11,09,682.00	7,06,091.00
	Total	48,25,961.00	34,25,750.00

Note : 11 Non-Current Investments			
Sr. No	Particulars	Current Year	Previous Year
1	Investment in Eq. Shares of Rangetech Systems India Pvt Ltd. (2,500 Eq. Shares of Rs. 10 Each)	25,000.00	-
	Total	25,000.00	-

Note : 12 Long Term Loans and Advances			
Sr. No	Particulars	Current Year	Previous Year
1	Security Deposits	33,14,435.48	9,36,976.00
	Total	33,14,435.48	9,36,976.00

Note : 13 Other Non-Current Assets			
Sr. No	Particulars	Current Year	Previous Year
1	Gratuity Fund	8,50,145.12	5,09,600.12
	Total	8,50,145.12	5,09,600.12

Note : 14 Inventories			
Sr. No	Particulars	Current Year	Previous Year
1	Stock in Trade	1,85,91,043.03	1,70,95,416.78
	Total	1,85,91,043.03	1,70,95,416.78

Note : 15 Trade Receivables			
Sr. No	Particulars	Current Year	Previous Year
1	Unsecured, considered good	36,50,113.97	18,19,869.97
	Outstanding for more than 6 months	3,51,94,724.37	2,78,36,455.36
	Other receivables	-	-
	Total	3,88,44,838.34	2,96,56,325.33

Note : 16 Cash & Cash Equivalent			
Sr. No	Particulars	Current Year	Previous Year
1	Cash-in-Hand	19,243.40	21,310.00
2	Bank Balance	1,84,248.66	1,53,735.97
3	Cheque in Hand	3,00,000.00	-
	Total	5,03,492.06	1,75,045.97

Note : 17 Short Term Loans & Advances			
Sr. No	Particulars	Current Year	Previous Year
1	Abdul Kuddus	1,00,000.00	-
2	Advance	32,891.00	-
	Total	1,32,891.00	-

Gaurav



CONCORD CONTROL SYSTEMS PVT. LTD.

Notes forming part of the Financial Statements for the year ended 31st March, 2020
CIN-U31908UP2011PTC043229

Note : 18 Other Current Assets			
Sr. No	Particulars	Current Year	Previous Year
1	Prepaid Insurance	33,248.00	14,935.00
2	Prepaid Expenses	99,130.00	36,000.00
3	Advance Tax	36,00,000.00	35,00,000.00
4	Advance for expenses	-	8,000.00
5	Advance to Staff	2,30,201.00	3,08,699.00
6	Interest receivable on FDR	99,811.30	1,646.00
7	Refund of Income Tax	10,02,140.00	60.00
8	TDS Recoverable	1,18,227.70	86,288.00
9	Tax on Advance Receipt	-	1,035.00
10	Advance to Supplier	15,25,244.39	14,74,106.22
11	TCS	28,544.00	-
12	GST: Refund on GST	-	55,807.00
	GST ITC	13,98,521.00	20,951.13
	IGST Penalty Recoverable	3,53,744.00	-
	GST Cash Ledger	2,11,247.00	-
	GST TDS	-	-
	Total	87,00,058.39	57,39,310.35

Note : 19 Other Income			
Sr. No	Particulars	Current Year	Previous Year
1	Interest on FDR	1,15,857.00	20,770.00
2	Freight Outward	16,84,425.00	16,08,486.25
3	Packing and Forwarding Expenses	7,86,034.50	8,00,372.65
4	Miscellaneous Income	1,86,805.29	7,02,790.64
5	Inspection Fee	1,04,000.00	1,86,887.83
6	Discount Received	1,75,016.88	25,094.20
7	Gain on Foreign Exchange	24,574.24	-
	Total	30,76,712.91	33,45,001.57

Note 20-Change in Inventory of Finished Goods, Work in Progress & Stock-in-Trade			
Sr. No	Particulars	Current Year	Previous Year
1	Opening Stock-in-Trade	1,70,95,416.78	1,86,97,196.04
2	Closing Stock-in Trade	(1,85,91,043.03)	(1,70,95,416.78)
	(Increase)/ Decrease in Stock In Trade	(14,95,626.25)	16,01,779.26

Note : 21 Employment Benefit Expenses			
Sr. No	Particulars	Current Year	Previous Year
1	Salaries and Wages	83,29,642.00	53,97,647.00
2	Director Remuneration	24,00,000.00	19,44,000.00
3	Workmen and staff welfare expenses	6,30,046.81	3,34,443.00
	Total	1,13,59,688.81	76,76,090.00

Note : 22 Finance cost			
Sr. No	Particulars	Current Year	Previous Year
1	On cash credit and other facilities from banks	4,35,131.00	13,41,624.00
2	On Term Loan and other facilities from banks	1,62,877.98	77,738.00
3	Commission to Bank for Guarantee	81,696.85	-
4	Bank Processing Charges	2,32,223.45	1,37,706.62
	Total	9,11,929.28	15,57,068.62

Note : 23 Other Expenses			
Sr. No	Particulars	Current Year	Previous Year
	Trading Expenses		
1	Freight Inward	27,12,228.44	17,92,183.46
2	Factory expenses	27,322.00	33,510.00
3	Manufacturing Expenses / Job work Expenses	73,35,105.10	60,76,164.26
4	Packing & Forwarding Charge	82,401.30	1,57,249.96
	Sub-Total	1,01,57,056.84	80,59,107.68

	Establishment & Other Expenses		
1	Freight Outward	31,50,948.99	27,50,304.67
2	Professional Charges	20,88,944.00	14,19,788.00
3	R & D Expenses	20,02,500.00	23,47,943.32
4	Rent	18,52,382.00	-
5	Conveyance and Travelling Exp	18,21,644.97	19,11,026.35
6	Repair & Maintenance	17,88,834.96	2,64,941.93
7	Liaisoning Expenses	13,22,047.56	14,98,304.45
8	Drainage Maintenance Expense	11,06,287.00	-
9	Director's Travelling Expenses	10,84,965.72	4,87,471.00
10	Testing Charges	8,93,883.43	2,02,275.00
11	Business Promotion expense	8,71,050.61	-
12	Power and Fuel Exp	6,20,477.39	6,07,684.17
13	Gratuity Expenses	4,11,604.00	4,01,115.00
14	Security Expenses	3,00,080.00	1,59,089.33
15	Miscellaneous Expenses	1,73,573.21	1,07,438.52
16	Consumables	1,14,473.75	1,02,912.00
17	Internet and Telephone Exps.	1,01,327.86	1,05,279.88
18	Insurance	97,721.00	70,471.00
19	Inspection fees	90,788.80	1,32,856.00
20	Bad Debts	80,020.00	2,41,839.00
21	Postage & Courier Charges	78,450.65	60,495.25
22	Interest on Stat. Dues	58,157.50	1,24,527.00
23	Printing & Stationary	57,407.14	58,223.31
24	Audit Fees	60,000.00	40,000.00
25	Consultancy fee	51,161.00	2,35,797.00
26	Other Fees	41,590.00	3,000.00
27	Renewal and certification	40,150.00	1,73,154.00
28	Office Expenses	39,459.00	26,962.78
29	Legal Expense	37,070.00	-
30	Discount Allowed	28,219.19	43,077.86
31	Tally Customization Expense	19,200.00	-
32	Bank Charges	18,143.52	18,130.79
33	L. D. Charges	5,100.00	2,66,037.00
34	Preliminary expenses	17,141.00	-
35	Advertising Expenses	-	15,05,617.82
36	Material Loading /Unloading charges	-	1,88,850.00
37	Loss on Foreign Exchange	-	74,934.99
38	Membership / Registration Expenses	-	67,345.00
	Sub-Total	2,05,24,813.95	1,56,96,892.42
	Total	3,06,81,870.79	2,37,56,000.10

Shree

