

# Audit Report

FY : 2020-21

AY : 2021-22

VIAZ TUBES PRIVATE LIMITED

CIN : U25199GJ2018PTC103740

J-18, Shayona Green,  
B/H Vodafone Tower,  
Gota, Ta : Daskroi,  
Ahmedabad -382481, Gujarat.

# INDEPENDENT AUDITOR'S REPORT

To the Members of Viaz Tubes Private Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of **Viaz Tubes Private Limited**, which comprise the balance sheet as at 31st March 2021, and the statement of profit and loss and statement of cash flow 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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2021, and its profit/loss, and its cash flows for the year ended on that date.

### Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's 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 in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the 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 skepticism throughout the audit. We also:

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

cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement 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 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(f) Since the Company'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 Company 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;

(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:

- a. The Company does not have any pending litigations which would impact its financial position.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company

For, **Priten B Shah & Co.**

Chartered Accountants

FRN. 139073W

*P.B. Shah*  
**Priten B. Shah**

Proprietor

M. No. 156288



Place : Ahmedabad

Date: 26/07/2021

UDIN : 21156288AAAAEV2475



## **ANNEXURE – A Report under the Companies (Auditor's Report) Order, 2016**

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of **Viaz Tubes Private Limited** of even date)

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

(1) (a) The company has maintained records showing particulars of fixed assets but such records does not include quantitative details and situation of fixed assets.

(1) (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(1) (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except as specified below.

Particular of Property	Title deed in the name of
NA	NA

(2) As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material. The discrepancies have been properly dealt with in the books of accounts

(3) As explained to us, the company had not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the order is not applicable.

(4) In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.

(5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.

(6) The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.

(7) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at reporting date for a period of more than six months from the date they became payable

(7) (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

(8) In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.

(9) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.

(10) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit that causes the financial statements to be materially misstated.

(11) The company is a private limited company and hence provision of section 197 read with schedule V of the companies Act are not applicable. Accordingly, paragraph 3(xi) of the order is not applicable.

(12) The company is not a Nidhi Company hence this clause is not applicable.

(13) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(14) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.

(15) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.

(16) According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For, **Priten B Shah & Co.**

Chartered Accountants

FRN. 139073W

*P. B. Shah*  
**Priten B. Shah**  
Proprietor  
M. No. 156288



Place : Ahmedabad

Date: 26/07/2021

UDIN : 21156288AAAAEV2475



**Balance Sheet As at 31st March 2021**

Particulars	Notes	As at 31st March 2021	As at 31st March 2020
<b>Equity &amp; Liabilities</b>			
<b>Shareholder's Funds</b>			
Share Capital	2	42,500,000	42,500,000
Reserves and Surplus	3	3,455,256	(3,984,805)
Share application money pending allotment			
<b>Non-Current Liabilities</b>			
Long-term borrowings	4	100,456,584	124,630,088
Deferred tax liabilities (Net)		3,473,299	5,042,356
Other Long term liabilities			
Long term provisions			
<b>Current Liabilities</b>			
Short-term borrowings	5	88,711,054	62,563,548
Trade payables	6	14,665,260	8,431,009
Other current liabilities	7	15,643,439	2,410,948
Short-term provisions	8	1,787,854	1,114,937
<b>Total Equity &amp; Liabilities</b>		<b>270,692,746</b>	<b>242,708,081</b>
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	9	79,941,149	88,496,336
Intangible assets			
Capital work-in-progress	9	-	-
Intangible assets under development			
Non-current investments			
Deferred tax assets (net)			
Long term loans and advances	10	3,930,684	3,817,553
Other non-current assets	11	2,675,126	3,566,834
<b>Current assets</b>			
Current investments			
Inventories	12	83,037,026	114,893,412
Trade receivables	13	47,966,839	15,167,785
Cash and cash equivalents	14	1,427,629	721,244
Short-term loans and advances	15	31,282,186	2,359,176
Other current assets	16	20,432,107	13,685,742
<b>Total Assets</b>		<b>270,692,746</b>	<b>242,708,081</b>

Significant Accounting Policies

The Notes Referred To Above Form Part of the Financial Statements  
In terms of our separate report of even date attached

For Priten B. Shah & Co.  
Chartered Accountants

FRN : 139073V

Priten B. Shah & Co.  
Proprietor  
Membership No. 139073V  
Place : Ahmedabad  
Date : 26/07/2021



for and on behalf of the Board of Directors  
of Viaz Tubes Private Limited

Janakkumar M. Patel  
DIN: 03329692  
Director  
Place : Ahmedabad  
Date : 26/07/2021

Rajeshkumar P. Patel  
DIN: 07883688  
Director

# Viaz Tubes Private Limited

J-18, Sayona Green, Behind Vodafone Tower Gota (Ct), Daskroi, Ahmedabad - 382481

CIN : U25199GJ2018PTC103740

## Statement of Profit & Loss For Year ended on 31st March 2021

Particulars	Notes	For the Year ended on 31st March 2021	For the Year ended on 31st March 2020
<b>Income</b>			
Revenue from operations	17	291,399,785	198,650,750
Other Income	18	4,767,278	236,300
<b>Total Revenue</b>		<b>296,167,063</b>	<b>198,887,050</b>
<b>Expenditure</b>			
Cost of Materials Consumed	19	177,772,582	275,140,323
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	34,022,906	(113,682,718)
Purchase of Stock In Trade		-	-
Employee benefit expense	21	20,925,566	4,372,300
Manufacturing Expenses	22	8,988,511	5,320,923
Selling, Administration & other expenses	23	7,552,520	1,443,278
Financial costs	24	17,259,580	12,117,881
Depreciation & Amortised cost	25	18,521,385	10,274,046
Other Expenses	26	3,123,842	1,035,450
<b>Total Expenses</b>		<b>288,166,893</b>	<b>195,984,193</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>8,000,170</b>	<b>2,902,857</b>
Exceptional Items		-	-
<b>Profit before extraordinary items and tax</b>		<b>8,000,170</b>	<b>2,902,857</b>
Extraordinary Items		-	-
Preliminary Exp. Written Off		891,708	891,708
<b>Profit before tax</b>		<b>7,108,462</b>	<b>2,011,149</b>
Tax expense:			
Current tax		1,399,847	522,899
Excess Income tax Provision last year w/off		(162,388)	-
Deferred tax		(1,569,057)	5,042,356
<b>Profit/(Loss) for the year</b>		<b>7,440,060</b>	<b>(3,554,106)</b>

Earning per equity share:

(1) Basic

27

(2) Diluted

1.75

(355.41)

The Notes Referred to Above Form Part of the Financial Statements

In terms of our separate report of even date attached

For Priten B. Shah & Co.

Chartered Accountants

FRN : 13907

AHMEDABAD

Mem No. 156288

FRN: 139073/W

Priten B. Shah

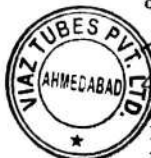
Proprietor

Membership No. 156288

Place : Ahmedabad

Date : 26/07/2021

for and on behalf of the Board of Directors  
of Viaz Tubes Private Limited



Anakkumar M. Patel

DIN : 03329692

Director

Place : Ahmedabad

Date : 26/07/2021

Rajeshkumar P. Patel

DIN : 07883688

Director

**Cash Flow Statement as on 31.03.2021**

Particulars	For the Year ended on 31st March 2021	For the Year ended on 31st March 2020
<b>Profit for the financial year : (Profit Before Tax)</b>		
Adjustments for:		
Tax on profit	7,108,462	2,011,149
Depreciation and amortisation	331,598	(522,899)
(Profit)/loss on disposal of property, plant and equipment	18,521,385	10,274,046
Finance expenses	-	-
Remuneration paid to the partners	-	-
Increase in provisions	-	-
<b>Operating cash flows before movements in working capital</b>	<b>25,961,445</b>	<b>11,762,296</b>
Decrease/ (Increase) in Inventories	-	-
Decrease/ (Increase) in short term loan and advances	31,856,386	(114,893,412)
Decrease/ (Increase) Increase in other non current assets	(28,923,010)	3,362,529
(Increase)/Decrease in receivables	891,708	(3,566,834)
Short-term provisions	(32,799,054)	(15,167,785)
(Decrease) / Increase in Short Term Borrowings	672,917	1,079,937
(Increase)/Decrease in Other Current Assets	26,147,506	62,563,548
Other current liabilities	(6,746,365)	(9,606,281)
(Increase)/Decrease in Deferred Tax	13,232,491	2,410,948
Increase / (Decrease) in trade payables	(1,569,057)	-
Cash generated by operation	6,234,251	(1,823,157)
Taxes paid	34,959,218	(63,878,211)
<b>Net cash inflow from operating activities</b>	<b>34,959,218</b>	<b>(63,878,211)</b>
<b>Investing activities</b>		
Proceeds of disposal of fixed assets	-	-
Proceeds of disposal of Investments	-	-
(Increase)/ Decrease of Long Term Loans & Advances	-	-
Purchase of fixed assets	(113,131)	(3,817,553)
Purchase of investments	(9,966,198)	(75,744,743)
<b>Net cash used in investing activities</b>	<b>(10,079,329)</b>	<b>(79,562,296)</b>
<b>Financing activities</b>		
Proceeds from issue of share capital	-	-
Increase/ (Decrease) of long term borrowings	-	42,400,000
Dividend paid	(24,173,504)	101,616,088
<b>Net cash used in investing activities</b>	<b>(24,173,504)</b>	<b>144,016,088</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>706,385</b>	<b>575,581</b>
Cash and cash equivalents at beginning of year	721,244	145,663
<b>Cash and cash equivalents at end of year</b>	<b>1,427,629</b>	<b>721,244</b>

As per our report of even date

For Priten B. Shah & Co.

Chartered Accountants

FRN : 139073W

PRITEN B. SHAH & CO.

AMHEDABAD

M. No: 156298

FRN 139073W

Proprietor

Membership No. 156298

Place : Ahmedabad

Date : 26/07/2021

for and on behalf of the Board of Directors  
of Viaz Tubes Private Limited



Sanakkumar M. Patel

DIN : 03329692

Director

Place : Ahmedabad

Date : 26/07/2021

Rajeshkumar P. Patel

DIN : 07883688

Director

# Notes To The Financial Statements For The Year Ended 31<sup>st</sup> March, 2021

## 1. CORPORATE INFORMATION

Viaz Tubes Private Limited ("the Company") was incorporated in India on 27th August, 2018, and having its registered office at J-18, Shayona Green, B/H Vodafone Tower, Gota, Ta : Daskroi, Ahmedabad - 382481, Gujarat. Company was engaged in Manufacturing of Tyre Tubes of vehicles and trading of Agro Commodity during previous financial year

## 2. SIGNIFICANT ACCOUNTING POLICIES

### A. Basis of preparation and presentation:

The financial statements have been prepared on the historical cost basis.

The financial statements of the Company have been prepared to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The Company's financial statements are presented in Indian Rupees (INR), which is its functional currency.

### B. Use of Estimates:

The preparation of the Financial Statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported amounts of income and expenditure during the period. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the period in which the results are known/ materialized.

## 3. Summary of significant accounting policies

### a. PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably.

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

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.



**b. INTANGIBLE ASSETS:**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

**c. LEASES:**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**d. BORROWINGS COST:**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

**e. INVENTORIES:**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of purchase cost and other overheads, net of recoverable taxes, incurred in bringing them to their respective present location and condition.

**f. PROVISIONS AND CONTINGENCIES:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

**g. TAXATION:**

The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in the comprehensive income or in equity. In this case, the tax is also recognized in other comprehensive income and equity.

**- Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

**- Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period



**Tax expense in the statement of profit and loss comprises:**

Particulars	Year ended March 31,	
	2021	2020
Current Tax	13,99,847	5,22,899
Excess Income tax Provision last year w/off	(1,62,388)	-
Deferred Tax	(15,69,057)	(50,42,106)
Total Tax expense	(3,31,598)	(35,54,106)

**h. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution, repayable on demand or maturing within three months of the date of acquisition and which are subject to an insignificant risk of change in value.

**i. REVENUE RECOGNITION**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principle or agent. The company has concluded that it is acting as a principal in all of its revenue arrangements.

**j. EARNING PER SHARE (EPS):**

Basic earnings per share are computed by dividing the profit/(loss) after tax by the total number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax by the total number of equity shares considered for deriving basic earnings per share.

**4. RELATED PARTY DISCLOSURES:**

The Company has not any transaction of a material nature with the promoters, Directors of management, their subsidiaries or relatives that may have potential conflict with the interest of the company at large. The register of contacts containing the transactions in which Directors are interested in place before the board regularly for it approval.

The Company Confirms that all transaction including purchase and sales done with related party is at Arm's Length Price and in normal course of business with all entities. The Company also confirms that none of the transactions, if any, with the related parties was in material conflict with the interest of the Company except other amount paid as under.

Sr. No	Name	Nature of Payment	Amount
1.	-	--	-

- As informed to us, there are no contingent liabilities as on Balance Sheet Date.
- Any material gains/ losses which arise from the events or transaction which are Events Occurring After the Balance Sheet Date of the company are separately disclosed.
- Auditors Remuneration relating to audit works is provided at the end of year.
- As informed to us there are no estimated amounts of contracts remaining to be executed on Capital Amount.
- The Company has not disposed off any Fixed Assets during the year.

10. As certified by the Directors all amounts in the Balance Sheet relating to Sundry Debtors, Sundry Creditors, Unsecured Loans, Deposits, Loans and advances are shown at net realizable or net payable as the case may be.
11. As certified by Company that it has received written representation from all the Directors, That Companies in which they are Directors had not defaulted in terms of section 164 (2) of the Companies Act, 2013, and that representation of Directors taken in Board that Director is disqualified from being appointed as Director of the Company.
12. The Company has not received any memorandum (as required to be filled by the suppliers with the notified authority under Micro, Small and Medium Enterprise Development Act, 2006) claiming their status during the year as micro, small or medium enterprises. Consequently there are no amounts paid/ payable to such parties during the year.
13. **Auditor's remuneration:**  
During the year under consideration provision has made for Auditor's remuneration.  
(in Rupees)

	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
<b>Statutory Audit Fees</b>	30,000	30,000
14. **Director's Remuneration**  
During the year under consideration neither provision has made nor paid for Director's remuneration.
15. Income in Foreign Currency is NIL.
16. Expenditure in Foreign Currency is NIL.
17. There is No Any Amalgamation or Acquisition with Other Company / Firm / Entity by the company during the financial year.
18. The company has received Capital Subsidy & Interest subsidy as Government Grants or Subsidies. Accounting treatment of subsidy done accordingly in the books of Accounts.
19. The company did Not enter into any Lease Agreement.
20. The company has Not entered into any Joint Venture.
21. Previous year figures have been regrouped /rearranged wherever necessary to correspond with the current year's classifications/disclosure.
22. No Deferred Tax asset has been recognized on unabsorbed business losses, considering the prudence aspect.
23. The Company is operationally and financially fully supported by its promoter companies. In view of the Company's long term business projections and promoter's commitment to the business by providing for necessary funds as and when need arises, the financial statements have been prepared on a going concern basis.

24. All of the Debit, Credit, Balances including, Loan & advances lying in various party's Customer's accounts are subject to their balance confirmation

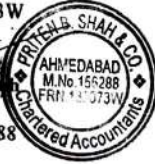
For, Priten B Shah & Co.  
Chartered Accountants

FRN. 139073W

Priten B. Shah

Proprietor

M. No. 156288



for and on behalf of the Board of Directors  
of Viaz Tubes Private Limited

Janakkumar M. Patel

Director

DIN : 03329692

Rajeshkumar P. Patel

Director

DIN : 07883688



Place: Ahmedabad

Date: 26/07/2021

Place : Ahmedabad

Date : 26/07/2021

## Notes forming part to the Financial Statements

Year ended on 31st March 2021

### 2. Share Capital

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Authorised Share Capital:</b>		
42,50,000 Equity shares of Rs. 10/- each	4,25,00,000	4,25,00,000
<b>Issued, Subscribed and Fully Paid up Share Capital:</b>		
4,25,00,000 Equity shares of Rs. 10/- each	4,25,00,000	4,25,00,000
<b>Total</b>	<b>4,25,00,000</b>	<b>4,25,00,000</b>

<b>a) The reconciliation of the number of shares outstanding is set out below:</b>	<b>As at 31st March 2021</b>	<b>As at 31st March 2020</b>
Number of Equity Shares at the beginning of the year	42,50,000	10,00,000
Number of Equity Shares issued during the year	-	42,40,000
Number of Equity Shares at the end of the year	42,50,000	42,50,000

<b>b) Shares held by Shareholders holding more than 5 percent shares in the Company :</b>				
<b>Name of Shareholder</b>	<b>As At 31-March-2021</b>		<b>As At 31-March-2020</b>	
	No. of Shares	holding	No. of Shares	holding
Janak Bhai Patel	8,50,000	20%	4,25,000	10%
Keval M. Bhatt	2,12,500	5%	4,67,500	11%
Himaben Janakkumar Patel	4,67,500	11%	4,67,500	11%
Ketanben Parbhakkar Patel	4,25,000	10%	4,25,000	10%
Nararbhau Chandubhai	4,25,000	10%	4,25,000	10%
Nikarben Ursav Kanakia	5,10,000	12%	4,67,500	11%
Rajeshkumar Patel	4,67,500	11%	4,67,500	11%
Purushottam Maganbhai Patel	4,67,500	11%	4,67,500	11%
Savitaben Mahendrakumar Patel	4,25,000	10%	6,37,500	15%
<b>Total</b>	<b>42,50,000</b>	<b>100%</b>	<b>42,50,000</b>	<b>100%</b>

### c) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share and has equal dividend right. The Company declares and pays dividend in Indian Rupees. The Dividend if proposed by the Board of Directors is subject to shareholders approval in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders.

### 03. Reserves & Surplus

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Securities Premium Account</b>		
As per last Balance Sheet	-	-
Add: on shares issued during the year	-	-
	-	-
<b>Surplus from Statement of Profit &amp; Loss</b>		
As per last Balance Sheet	(39,84,805)	(4,30,699)
Add: Profit during the year	74,40,060	(35,54,106)
Less: Transfer to general reserve	-	-
	34,55,256	(39,84,805)
<b>Total</b>	<b>34,55,256</b>	<b>(39,84,805)</b>



#### 04. Long Term Borrowings

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Secured loans</b>		
Loans from Banks		
State Bank of India TL (Beyond 12 Months Liabilities taken with reference to note no.07)	6,96,72,925	6,77,91,823
State Bank of India C/FCL (Beyond 12 Months Liabilities taken with reference to note no.07)	18,69,580	-
State Bank of India G/FCL (Beyond 12 Months Liabilities taken with reference to note no.07)	2,35,56,124	-
State Bank of India -Solar Loan A/C (Beyond 12 Months Liabilities taken with reference to note no.07)	35,67,125	-
<b>Unsecured Loans</b>		
Loan from Director	-	5,68,38,265
Loan from Related Party	17,90,830	-
<b>Total</b>	<b>10,04,56,584</b>	<b>12,46,30,088</b>

#### 05. Short Term Borrowings

Particulars	As at 31st March 2021	As at 31st March 2020
Loans from Bank		
State Bank of India -CC A/c	8,87,11,054	5,25,63,548
State Bank of India -SLA A/c	-	1,00,000,000
<b>Total</b>	<b>8,87,11,054</b>	<b>6,25,63,548</b>

#### 06. Trade payable

Particulars	As at 31st March 2021	As at 31st March 2020
Sundry Creditors for Exp	6,14,176	7,78,178
Sundry Creditors for Raw Material	1,29,19,824	42,28,556
Sundry Creditors for Capital Goods	11,28,088	34,24,275
Advance From Customer	3,172	-
<b>Total</b>	<b>1,46,65,260</b>	<b>84,31,009</b>

#### 07. Other Current Liabilities

Particulars	As at 31st March 2021	As at 31st March 2020
State Bank of India TL (12 Months Liabilities taken from Notes, No.04 Installment Amount Rs.200000/- Per Month)	24,00,000	24,00,000
State Bank of India C/FCL (12 Months Liabilities taken from Notes, No.04 Installment Amount Rs.44452/- Per Month)	53,33,424	-
State Bank of India G/FCL (12 Months Liabilities taken from Notes, No.04 Installment Amount Rs.836000/- Per Month -Repayment start from Aug-21)	66,88,000	-
State Bank of India -Solar Loan A/C (12 Months Liabilities taken from Notes, No.04 Installment Amount Rs.100000/- Per Month)	12,00,000	-
TDS/TCS Payable	22,015	10,948
<b>Total</b>	<b>1,56,43,439</b>	<b>24,10,948</b>

#### 08. Short Term Provisions

Particulars	As at 31st March 2021	As at 31st March 2020
Prasen B. Shah & Co.	30,000	45,000
Mohr Shah	-	20,000
Provision for Electricity Bill	1,26,765	5,27,038
Provision for Tax	13,99,847	5,22,899
Provision for Salary	2,31,242	-
<b>Total</b>	<b>17,87,854</b>	<b>11,14,937</b>



## 9. Fixed Assets

Sr. No.	Tangible asset	Gross Value				Depreciation				Closing balance	
		Opening balance 01.04.2020	Additions	Deductions	Total	Opening balance	Additions	Deductions	Total	31.03.2021	31.03.2020
a	Plant & Machinery	9,56,38,875	56,59,549	25,00,000	9,87,98,424	99,27,170	1,78,31,694	2,88,856	2,74,73,308	7,13,25,116	8,57,11,405
b	Aluminium Section Office	2,75,563	16,827	-	2,92,390	19,580	27,212	-	46,792	2,45,598	2,55,083
c	Digital Camera	4,50,326	-	-	4,50,326	87,202	1,16,589	-	2,03,791	2,46,535	3,63,124
d	Factory & Building	12,07,695	5,81,626	-	17,92,321	85,813	1,41,175	-	2,26,986	15,65,335	11,21,882
e	Factory Shed	6,50,000	-	-	6,50,000	46,186	61,750	-	1,07,936	5,42,064	6,03,814
f	Furniture & Fixtures	4,75,039	56,204	-	5,31,243	91,988	1,30,482	-	2,22,470	3,08,773	3,83,051
g	Labour Colony Building	46,400	-	-	46,400	3,297	4,408	-	7,705	38,695	43,103
h	Computer & Printer	26,484	81,110	-	1,10,594	12,511	33,782	-	46,293	64,501	13,973
i	Solar Power Generation System	-	60,64,882	-	60,64,882	-	4,60,150	-	4,60,150	56,04,732	-
	<b>Total</b>	<b>9,87,70,382</b>	<b>1,24,66,198</b>	<b>25,00,000</b>	<b>10,87,36,580</b>	<b>1,02,74,047</b>	<b>1,88,10,240</b>	<b>2,88,856</b>	<b>2,87,95,431</b>	<b>7,99,41,149</b>	<b>8,84,96,336</b>
	<b>Capital Work in Progress</b>	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>9,87,70,382</b>	<b>1,24,66,198</b>	<b>25,00,000</b>	<b>10,87,36,580</b>	<b>1,02,74,047</b>	<b>1,88,10,240</b>	<b>2,88,856</b>	<b>2,87,95,431</b>	<b>7,99,41,149</b>	<b>8,84,96,336</b>

#### 10. Long Term Loans & Advances

Particulars		As at 31st March 2021	As at 31st March 2020
UGWT Deposit		16,16,593	16,16,593
Deposit with State Bank of India		23,14,091	22,00,900
<b>Total</b>		<b>39,30,684</b>	<b>38,17,553</b>

#### 11. Other Non Current Assets

Particulars		As at 31st March 2021	As at 31st March 2020
Pre-Operative Expenses		10,56,235	14,08,313
Stamp Duty		11,52,000	15,36,000
Upliftment Fees		4,66,891	6,22,521
<b>Total</b>		<b>26,75,126</b>	<b>35,66,834</b>

#### 12. Inventories

Particulars		As at 31st March 2021	As at 31st March 2020
Raw materials		33,77,214	12,10,694
Finished goods		6,97,28,101	9,94,93,804
Semi-Finished goods		99,31,711	1,41,88,914
Waste		-	-
<b>Total</b>		<b>8,30,37,026</b>	<b>11,48,93,412</b>

#### 13. Trade Receivables

Particulars		As at 31st March 2021	As at 31st March 2020
<b>Outstanding for less than six months</b>			
a) Secured, Considered Good :			
b) Unsecured, Considered Good :		4,79,22,239	1,51,67,785
c) Doubtful			
<b>Outstanding for more than six months</b>			
a) Secured, Considered Good :		-	-
b) Unsecured, Considered Good :		44,600	-
c) Doubtful		-	-
<b>Others</b>			
a) Secured, Considered Good :		-	-
b) Unsecured, Considered Good :		-	-
c) Doubtful		-	-
<b>Total</b>		<b>4,79,66,839</b>	<b>1,51,67,785</b>

#### 14. Cash and cash equivalents

Particulars		As at 31st March 2021	As at 31st March 2020
Balance with banks			
State Bank of India - Current A/c		12,07,314	1,075
Cash on Hand		2,20,315	7,20,169
<b>Total</b>		<b>14,27,629</b>	<b>7,21,244</b>

#### 15. Short Term Loan & Advances

Particulars		As at 31st March 2021	As at 31st March 2020
Loans & Advances to Other		15,50,000	18,82,496
Advance to Supplier		2,97,32,186	4,76,080
<b>Total</b>		<b>3,12,82,186</b>	<b>23,59,176</b>

#### 16. Other Current Assets

Particulars		As at 31st March 2021	As at 31st March 2020
GST Credit Refund		31,91,220	
GST Receivable		1,69,05,777	1,34,36,052
Prepaid Insurance Exps.		1,84,251	2,27,360
TDS/TCS Receivable		50,803	22,330
Advance Income Tax		50,000	-
Compensation Case		50,056	-
<b>Total</b>		<b>2,04,32,107</b>	<b>1,36,85,742</b>

**17. Revenue from Operation**

Particulars	As at 31st March 2021	As at 31st March 2020
Sale of Products		
Tyre Tubes	29,19,04,785	20,33,53,408
Total Sales	29,19,04,785	20,33,53,408
Less : Cash Discount	5,05,000	47,02,658
<b>Total</b>	<b>29,13,99,785</b>	<b>19,86,50,750</b>

**18. Other Income**

Particulars	As at 31st March 2021	As at 31st March 2020
Discount Received		13,010
Interest On FD with SBI	1,22,306	1,21,370
Interest On FD with UGVCL	-	1,01,920
Electricity Duty Refund	6,26,367	-
Insurance Claim Refund	53,410	-
Interest Subsidy	39,65,195	-
<b>Total</b>	<b>47,67,278</b>	<b>2,36,300</b>

**19. Cost of Material Consumed**

Particulars	As at 31st March 2021	As at 31st March 2020
Opening stock of RM	12,10,694	-
<b>ADD:-PURCHASE</b>		
Purchases	17,99,39,102	27,63,69,446
Less: Purchase Return	-	18,429
	<b>17,99,39,102</b>	<b>27,63,51,017</b>
<b>LESS:-</b>		
Closing stock of RM	33,77,214	12,10,694
<b>Total</b>	<b>17,77,72,582</b>	<b>27,51,40,323</b>

**20. Change in Inventories**

Particulars	As at 31st March 2021	As at 31st March 2020
Opening stock of		
Finished Goods	9,94,93,804	-
WIP	1,41,88,914	-
<b>Total Opening Stock</b>	<b>11,36,82,718</b>	<b>-</b>
Less: Closing Stock of		
Finished Goods	6,97,28,101	9,94,93,804
WIP	99,31,711	1,41,88,914
<b>Total Closing Stock</b>	<b>7,96,59,812</b>	<b>11,36,82,718</b>
<b>Total</b>	<b>3,40,22,906</b>	<b>(11,36,82,718)</b>

**21. Employee Benefit Expense**

Particulars	As at 31st March 2021	As at 31st March 2020
Salary Exp.	1,89,70,286	41,24,309
Labour Exp.	-	20,160
Director Remuneration	7,97,555	1,88,831
Bonus Exp.	11,57,725	-
<b>Total</b>	<b>2,09,25,566</b>	<b>43,33,300</b>

**22. Manufacturing Exp.**

Particulars	As at 31st March 2021	As at 31st March 2020
Electricity Exp.	61,30,612	43,90,176
Factory Repair & Maintenance Exp.	28,57,899	9,32,447
<b>Total</b>	<b>89,88,511</b>	<b>53,22,623</b>

### 23. Selling, Administration & Other Exps

Particulars	As at 31st March 2021	As at 31st March 2020
Administrative Exp.	91,044	-
Boiler Contractor Exp.	7,24,713	5,11,316
Brokerage Exp.	8,36,952	1,16,700
Conveyance Exp.	3,73,162	-
Office Exp.	1,05,202	-
Vehicle Exp.	85,392	51,300
Packing & Forwarding Exp.	1,328	-
Insurance Exp.	7,88,043	5,08,200
Varia & Kasar	-	-
Travelling Exp.	2,04,900	36,537
Printing & Stationery Exp.	1,01,395	10,000
Petrol & Diesel Exp.	6,74,838	41,688
Petrol for Plant Process	5,40,900	-
Promotional Scheme Exp.	76,250	-
Internet Exp.	55,590	28,550
Marketing & Sales Promotion Exp.	3,70,454	40,000
Software Exp.	75,800	10,000
Brand Exp.	-	88,987
Exhibition Exp.	2,56,000	-
Factory Licence Fees	20,008	-
Food & Refreshment Exp.	4,33,465	-
GPCB Fees	12,827	-
Godown Rent Exp.	21,000	-
Hamali Exp.	3,16,640	-
Mortgage Charges	50,000	-
Stamp / Franking Exp.	7,19,100	-
Telephone & Postage Exp.	31,495	-
Water Bill Exp.	1,22,370	-
Other Repair & Maintenance Exp.	4,63,652	-
<b>Total</b>	<b>75,52,520</b>	<b>14,43,278</b>

### 24. Finance Cost

Particulars	As at 31st March 2021	As at 31st March 2020
Bank Charges	9,693	17,832
Interest on C/L	74,83,280	49,57,090
Interest on S/L	8,49,476	5,35,856
Interest on Term Loan	62,44,218	66,07,103
Interest on HTL	18,77,557	-
Facility Fees & Documentation Charges	1,30,000	-
Interest to Other	2,386	-
Loan Processing Charges	5,23,700	-
Interest on Solar Loan	1,39,270	-
<b>Total</b>	<b>1,72,59,580</b>	<b>1,21,17,881</b>

### 25. Depreciation & Amortised Cost

Particulars	As at 31st March 2021	As at 31st March 2020
Depreciation	1,85,21,385	1,02,74,046
<b>Total</b>	<b>1,85,21,385</b>	<b>1,02,74,046</b>

### 26. Other Expenses

Particulars	As at 31st March 2021	As at 31st March 2020
Auditor's Remuneration	30,000	30,000
Stock Audit Fees	23,000	-
Subsidy Application Fees	2,32,000	-
Legal & Professional Fees	1,88,404	82,109
ROC Charges	-	6,94,720
Transportation Exp.	22,93,769	2,28,630
Bad Debts	2,71,215	-
Donation Exp.	13,100	-
Misc. Approval Fees	45,000	-
Misc. Exp.	2,354	-
Property Tax	25,000	-
<b>Total</b>	<b>31,23,842</b>	<b>10,35,459</b>

27. Earnings per Share		As at 31st March 2021		As at 31st March 2020
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Share Holder (A)		74,40,060		(35,54,106)
Basic Earnings per Shares		1.75		(355.41)
Face Value Per Equity Shares		10.00		10.00

## 28. Related Party Disclosures As per AS-18

List of Related Parties where control exists and related parties with whom transactions have taken place and relationship

Name of the Related Party

Rajeshkumar P. Patel	Director
Janakkumar M. Patel	Director
Himaben Janakkumar Patel	Director's Relative
Nirmaben Rajeshkumar Patel	Director's Relative
Savitaben Mahendrakumar Patel	Director's Relative
Keval M. Bhatt	Member

Transactions During the year with related parties		For the Year ended on 31st March 2021		For the Year ended on 31st March 2020
Name of the Related Party	Nature of Transaction	Amount	Nature of Transaction	Amount
Keval M. Bhatt	Loan Taken	12,02,503	Loan Taken	2,00,28,265
Keval M. Bhatt	Loan Given	1,94,39,938	-	-
Rajeshkumar P. Patel	Loan Taken	7,98,000	Loan Taken	1,88,10,000
Rajeshkumar P. Patel	Loan Given	1,96,08,000	-	-
Janakkumar M. Patel	Loan Taken	4,53,00,000	Loan Taken	1,80,00,000
Janakkumar M. Patel	Loan Given	6,33,00,000	-	-
Keval M. Bhatt	-	-	Director Remuneration	1,88,831
Rajeshkumar P. Patel	Director Remuneration	4,43,783	-	-
Janakkumar M. Patel	Director Remuneration	3,53,772	-	-