

# INDEPENDENT AUDITORS' REPORT

TO,

THE MEMBERS OF HMA EXPORT PRIVATE LIMITED

## Report on the Financial Statements

We have audited the accompanying financial statements of **HMA EXPORT PRIVATE LIMITED**, which comprise the Balance Sheet as at **31/03/2020**, the Statement of Profit and Loss, the **cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2020**, 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **Responsibility of Management and Those Charged with Governance (TCWG)**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, 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 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, 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility**

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 judgement 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.

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

**As required by the Companies (Auditors' 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 statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.**

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

- (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 31/03/2020 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- (g) With respect to the other matters 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 Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For ISRANI ANIL & CO.**

**Chartered Accountant**

**(Firm's Registration No. : 013155C)**

**(CA. ANIL KUMAR ISRANI)**

**Proprietor**

**Membership No. 405321**

**Place : AGRA**

**Date : 01.09.2020**

**UDIN : 20405321AAAAAY6673**





	Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.
<b>(vii)</b>	<b>Deposit of Statutory Dues</b>
	(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.
	(b) There is no dispute with the revenue authorities regarding any duty or tax payable.
<b>(viii)</b>	<b>Repayment of Loans and Borrowings</b>
	The company has not defaulted in repayment of dues to financial institution, bank or debenture holders.
<b>(ix)</b>	<b>Utilization of Money Raised by Public Offers and Term Loan For which they Raised</b>
	The Company has not applied term loans for the purposes other than for which those are raised
<b>(x)</b>	<b>Reporting of Fraud During the Year</b>
	Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.
<b>(xi)</b>	<b>Managerial Remuneration</b>
	Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
<b>(xii)</b>	<b>Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio</b>
	As per information and records available with us The company is not Nidhi Company.
<b>(xiii)</b>	<b>Related party compliance with Section 177 and 188 of companies Act - 2013</b>
	Yes , All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
<b>(xiv)</b>	<b>Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures</b>
	No Such Allotment made by the Company during the year.
<b>(xv)</b>	<b>Compliance under section 192 of Companies Act - 2013</b>
	The company has not entered into any non-cash transactions with directors or persons connected with him.



(xvi)	<b>Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934</b>
	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

**For ISRANI ANIL & CO.**

**Chartered Accountant**

**(Firm's Registration No. : 013155C)**

*Anil Israni*



**(CA. ANIL KUMAR ISRANI)**

**Proprietor**

**Membership No. 405321**

**Place : AGRA**

**Date : 01.09.2020**

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**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of HMA EXPORT PRIVATE LIMITED.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of HMA EXPORT PRIVATE LIMITED as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over



financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any



evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 ISRANI ANIL & CO.**

**Chartered Accountant**

**(Firm's Registration No. : 013155C)**

*Anil Israni*



**(CA. ANIL KUMAR ISRANI)**

**Proprietor**

**Membership No. 405321**

**Place : AGRA**

**Date : 01.09.2020**

**UDIN : 20405321AAAAAY6673**

## HMA EXPORT PRIVATE LIMITED

### BALANCE SHEET AS ON 31ST MARCH 2020

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	3	2,00,000.00	2,00,000.00
(b) Reserve & Surplus	4	(7,61,924.00)	(7,55,424.00)
<b>(2) Share Application Money Pending Allotment</b>			
-			
<b>(3) Non Current Liabilities</b>			
(a) Long Term Borrowings	5	2,47,53,779.00	2,35,62,779.00
(b) Deferred Tax Liabilities			
<b>(4) Current Liabilities</b>			
(a) Short Term Borrowings		-	-
(b) Sundry Creditors		-	-
(c) Other Current Liabilities	6	10,000.00	5,000.00
<b>TOTAL</b>		<b>2,42,01,855.00</b>	<b>2,30,12,355.00</b>
<b>II ASSETS</b>			
<b>(1) Non Current Assets</b>			
<b>(a) Fixed Assets</b>			
Office Building at Satara Plaza, Mumbai		2,40,33,970.00	2,28,43,239.00
<b>(2) Current Assets</b>			
(a) Inventories		-	-
(b) Cash and Bank Equivalents	7	30,885.00	32,116.00
(c) Short Term Loans and Advances		-	-
(d) Sundry Debtors		-	-
(e) Other Current Assets	8	1,37,000.00	1,37,000.00
<b>TOTAL</b>		<b>2,42,01,855.00</b>	<b>2,30,12,355.00</b>
		-	-

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**FOR ISRANI ANIL & CO.**

Chartered Accountants

FRN : 013155C

*Anil Israni*

**CA. ANIL KUMAR ISRANI**

Proprietor

M.N. : 405321

PLACE : AGRA

DATE : 01.09.2020

UDIN : 20405321AAAAAY6673



For & on Behalf of Board of Directors of

**HMA EXPORT PRIVATE LIMITED**

*Mehmood Qureshi*

(Mohd. Mehmood Qureshi)

Director

DIN : 02839611

R/o. 18/129-A, Malko

Gali, Tajganj,

AGRA - 282 001.

*Kamil Qureshi*

(Mohd. Kamil Qureshi)

Director

DIN : 02827288

R/o. 18/129-A, Malko

Gali, Tajganj,

AGRA - 282 001.

## HMA EXPORT PRIVATE LIMITED

### STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2020

Particulars	Note No.	For the period ended 31st March, 2020	For the period ended 31st March, 2019
Revenue from Operations		-	-
Other Income	9	-	-
<b>I. Total Revenue</b>		-	-
Purchase and Expenses Thereon		-	-
Changes in Inventories		-	-
Employee Benefit Expenses		-	-
Financial Cost		-	-
Other Expenses	10	6,500.00	27,009.00
<b>II. Total Expenses</b>		6,500.00	27,009.00
<b>III. Profit Before Tax</b>		(6,500.00)	(27,009.00)
<b>IV. Tax Expenses</b>			
a Current Tax		-	-
b Previous Year Tax		-	1,260.00
<b>V. Profit /(Loss) for the period from Continuing Operations</b>		(6,500.00)	(28,269.00)
<b>VI. Earnings Per Equity Share of face value of Rs. 10 Each</b>			
a Basic		(0.33)	(1.41)
b Diluted		(0.33)	(1.41)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**FOR ISRANI ANIL & CO.**

Chartered Accountants

FRN : 013155C

*Anil Israni*

**CA. ANIL KUMAR ISRANI**

Proprietor

M.N. : 405321

PLACE : AGRA

DATE : 01.09.2020

UDIN : 20405321AAAAAY6673



For & on Behalf of Board of Directors of  
HMA EXPORT PRIVATE LIMITED

*Mehmood Qureshi*      *Kamil Qureshi*

(Mohd. Mehmood Qureshi) (Mohd. Kamil Qureshi)

Director

Director

DIN : 02839611

DIN : 02827288

R/o. 18/129-A, Malko

R/o. 18/129-A, Malko

Gali, Tajganj,

Gali, Tajganj,

AGRA - 282 001.

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## HMA EXPORT PRIVATE LIMITED

### NOTES TO BALANCE SHEET

#### 3 Share Capital

Ref. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
(a)	<b>Authorised</b> 5,00,000/- Equity Shares of Rs. 10/- per share	50,00,000.00	50,00,000.00
		<b>50,00,000.00</b>	<b>50,00,000.00</b>
(b)	<b>Issued Subscribed and Paid-Up</b> 20,000/- Equity Shares of Rs. 10/- per share	2,00,000.00	2,00,000.00
		<b>2,00,000.00</b>	<b>2,00,000.00</b>

(c) **The reconciliation of the number of shares outstanding as at 31st March, 2020 is set out below**

Ref. No.	Particulars	No. of Shares as at 31st March 2020	No. of Shares as at 31st March 2019
	<b>Equity Shares</b>		
	Number of Shares at the beginning of the year	20,000.00	20,000.00
	Add : Shares issued during the year	-	-
	Number of Shares at the end of the year	<b>20,000.00</b>	<b>20,000.00</b>

(d) **The Details of shareholder holding more than 5% of shares as at 31st March, 2020 is set out below**

Ref. No.	Particulars	No. of Shares	% of Shares
	<b>Equity Shares</b>		
	Mohammad Ashraf Qureshi	10,000.00	50.00%
	Mohammad Kamil Qureshi	10,000.00	50.00%
		<b>20,000.00</b>	<b>100.00%</b>

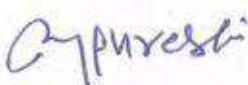

(e) **Rights, Preference & Restrictions attaching to each class of shares.**

The Company has only one class of shares referred to as Equity Shares having a par value of Rs. 10/- each. Each holder of Equity shares is entitled to one vote share and only received dividend.

#### 4 Reserve and Surplus

Ref. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
(a)	<b>Surplus / (Deficit) in Profit and Loss Account</b>		
	As per last Balance Sheet	(7,55,424.00)	(7,27,155.00)
	Add : Profit / (Loss) for the year	(6,500.00)	(28,269.00)
	Less : Previous Years Tax Adjustments	-	-
	At the end of the year (b)	(7,61,924.00)	(7,55,424.00)
	<b>Total Reserve &amp; Surplus (a + b)</b>	<b>(7,61,924.00)</b>	<b>(7,55,424.00)</b>

For & on Behalf of Board of Directors of  
HMA EXPORT PRIVATE LIMITED


  
 (Mohd. Mehmood Qureshi) (Mohd. Kamil Qureshi)

Director

Director

DIN : 02839611

DIN : 02827288

R/o. 18/129-A, Malko

R/o. 18/129-A, Malko

Gali, Tajganj,

Gali, Tajganj,

AGRA - 282 001.

AGRA - 282 001.



# HMA EXPORT PRIVATE LIMITED

## NOTES TO BALANCE SHEET

### 5 Long Term Borrowings

Ref. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
	<b>Unsecured Loan from Directors</b>		
	Mohammad Kamil Qureshi	37,17,917.00	25,26,917.00
	<b>Unsecured Loan from Related Parties</b>		
	Mohammad Ashraf Qureshi	20,87,646.00	20,87,646.00
	Wajid Ahmed	1,89,48,216.00	1,89,48,216.00
		<b>2,47,53,779.00</b>	<b>2,35,62,779.00</b>

### 6 Other Current Liabilities

Ref. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Audit Fees Payable	10,000.00	5,000.00
		<b>10,000.00</b>	<b>5,000.00</b>

### 7 Cash and Bank Balances

Ref. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
	<b>Cash and Cash Equivalents</b>		
	Cash in Hand	1,253.00	1,253.00
	<b>Balance with Banks</b>		
	Balance with Canara Bank C/A-2341201100087	29,632.00	30,863.00
		<b>30,885.00</b>	<b>32,116.00</b>

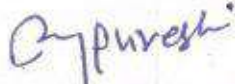

### 8 Other Current Assets

Ref. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Sales Tax Security	5,000.00	5,000.00
	Advance Income Tax (A/Y 2018-2019)	1,32,000.00	1,32,000.00
		<b>1,37,000.00</b>	<b>1,37,000.00</b>

### 9 Other Income

Ref. No.	Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
		-	-

For & on Behalf of Board of Directors of  
HMA EXPORT PRIVATE LIMITED


  
 (Mohd. Mehmood Qureshi) (Mohd. Kamil Qureshi)

Director

Director

DIN : 02839611

DIN : 02827288

R/o. 18/129-A, Malko

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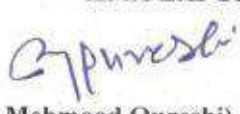
## NOTES TO BALANCE SHEET


### NOTES TO BALANCE SHEET

#### 10 Other Expenses

Ref. No.	Particulars	For the period ended 31st March, 2020	For the period ended 31st March, 2019
	Auditors Remuneration	5,000.00	5,000.00
	Fees and Taxes	1,500.00	-
	Bank Charges	-	9.00
	Professional Expenses	-	22,000.00
		<b>6,500.00</b>	<b>27,009.00</b>

For & on Behalf of Board of Directors of  
HMA EXPORT PRIVATE LIMITED

  
(Mohd. Mehmood Qureshi) Director  
DIN : 02839611  
R/o. 18/129-A, Malko  
Gali, Tajganj,  
AGRA - 282 001.

  
(Mohd. Kamil Qureshi) Director  
DIN : 02827288  
R/o. 18/129-A, Malko  
Gali, Tajganj,  
AGRA - 282 001.





# **HMA EXPORT PRIVATE LIMITED**

## **SIGNIFICANT ACCOUNTING POLICIES**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention.

### **B. USE OF ESTIMATES**

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

### **C. FIXED ASSETS**

#### **Tangible Assets**

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.



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*Conitson*

## **D. DEPRECIATION, AMORTISATION AND DEPLETION**

### **Tangible Assets**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

## **E. IMPAIRMENT**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## **F. INVENTORIES**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of by-products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

## **G. REVENUE RECOGNITION**

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, and service tax and excise duty, adjusted for discounts (net).

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



*Ch. Purvesh* *Ch. Gagan*

## H. INCOME TAXES

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

## I. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made.

For ISRANI ANIL & CO.

Chartered Accountant

(Firm's Registration No. : 013155C)



(CA. ANIL KUMAR ISRANI)

Proprietor

Membership No. 405321

Place : AGRA

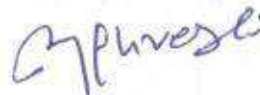
Date : 01.09.2020

UDIN : 20405321AAAAAY6673



For & on Behalf of Board of Directors of

HMA EXPORT PRIVATE LIMITED



(Mohd Mehmood Qureshi)

Director

DIN : 02839611

18/129-A, Malko Gali

Tajganj, Agra.



(Mohd Kamil Qureshi)

Director

DIN : 02827288

18/129-A, Malko Gali

Tajganj, Agra.

# HMA EXPORT PRIVATE LIMITED

## Disclosures as per ICDS

### i. ICDS I : Accounting Policy

The accounts are maintained under historical cost convention on accrual basis and on an assumption of going concern so as to represent a true and fair view of state of affairs and income of the business. The accounting policies applied by the firm are consistent with those used in the previous financial year.

### ii. ICDS II : Valuation of Inventories

(a) The Company follows exclusive method of accounting and as such tax, duty, cess if any collection and paid /payable or refundable /recoverable is not routed through the Profit and Loss Account and accordingly the valuation of inventories also does not include the same which deviates from sec 145A and ICDS II of the Income tax Act. However this treatment of valuation of purchases, sales and stocks is in conformity with Accounting Standard 2 issued by the ICAI and has no impact on the taxable income of the year as explained by the Institute in the Guidance Note on VAT accounting as well as Guidance Note on Section 44AB relating to the impact of sec 145A of the Income Tax.

i. Stocks as appearing in the financial statements, comprising of Finished goods taken by management and certified as to existence as stated are valued on the following basis :

ii. At Lower of cost or NRV:

S.N.	Particulars	Amount
1	Finished Goods- Valued at cost or net realizable value whichever is less	Nil
	<b>TOTAL</b>	<b>NIL</b>

There is no change in method of valuation.

### iii. ICDS III : Construction Contracts

This ICDS is not applicable.

*Agreed*  
*Karishma*

iv. ICDS IV : Revenue Recognition

The Company has a policy to recognize revenue from sale of goods and other accrued income arising from use of resources when significant risk and rewards of ownership are transferred to the buyer and as regards other claims and benefit relating thereto when there is reasonable certainty of its ultimate collection.

v. ICDS V : Fixed Assets

- i. Property, Plant and Equipment are valued at cost net of cenvat /vat less accumulated depreciation. Interest on borrowed funds directly attributable to the qualifying assets up to the period such assets
- ii. Depreciation on Property, Plant and Equipment has been provided on written down value method in accordance with the provisions of Schedule II of the Companies Act, 2016 which includes the amount amortised in respected of leasehold land and building over the remaining lease period. Depreciation on assets whose total cost does not exceed ten thousand rupees has been provided at the rate of hundred percent.

Type of Asset	Useful Life
RCC frame non factory building	60 years
Factory building	30 years
Plant and Machinery	15 years
Electrical Installations and Equipment	10 years
Vehicles	8 years
Office Equipment	5 years
Computers and data Processing Units:	
(a) Servers and networks	6 years
(b) End User devices such as desktops, laptops etc.	3 years
Furniture and fittings	8 years

Cyphresh

K. S. Srinivasan

vi. ICDS VI : Foreign Exchange Transactions

The company has a policy to record foreign currency transactions as per the rates on the date of initial transactions. However all monetary items are translated at the year-end by applying closing rate and the exchange difference is recognized as income /expense for the year. Exchange difference on forward contract that are intended for trading is recognized at the time of settlement. Exchange difference on forward contracts that are entered in to hedge the foreign currency risk of a firm commitment or a highly probable forecast transactions is recognized at the time of settlement of contract.

vii. ICDS VII : Government Grants

This ICDS in not applicable

viii. ICDS VIII : Securities

This ICDS in not applicable

ix. ICDS IX : Borrowing Cost

The Company has a policy to capitalize cost of funds borrowed specifically for the purpose of acquiring a qualifying asset from the date of such borrowing up to the date when such assets is ready for commercial use. All other borrowing costs are recognized as an expense in the year in which they are incurred. Borrowing cost is capitalized to qualifying asset which necessarily required a period of 12 months for its acquisition, construction or production.

x. ICDS X : Provisions, Contingent Liabilities and Contingent Assets:

Provisions and contingent assets and related income is recognized, based on best estimates, only when it becomes reasonably certain that outflow /inflow of economic benefit will arise.

a. Provision and contingent liabilities

Nature of Provisions	Opening Carryin g Amount	Provisio n made during the year	Amoun t charge d during the year	Unused Amount t revised during the year	Amount of any expected reimburseme nt	Amount of any asset recognised against expected reimburseme nt
NIL	NIL	NIL	NIL	NIL	NIL	NIL

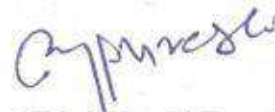
*C. Puresci*

*K. S. Kumar*

b. Contingent Assets

Nature of Assets	Opening Carryin Amount	Provision made during the year	Amount charged during the year	Unused Amount revised during the year	Amount of any expected reimbursemen t	Amount of any asset recognised against expected reimbursemen t
NIL	NIL	NIL	NIL	NIL	NIL	NIL

For & on Behalf of Board of Directors of  
HMA EXPORT PRIVATE LIMITED



(Mohd Kamil Qureshi)

Director

DIN : 02827288

R/o. 18/129-A, Malko

Gali, Tajganj, Agra.



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