

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NETSURF COMMUNICATIONS PRIVATE LIMITED**

Report on the Standalone Financial Statements

Opinion

1. We have audited the separate financial statements (also known as Standalone Financial Statements) of **NETSURF COMMUNICATIONS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss, the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March, 2023, its losses (financial performance) and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 independence 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

4. We draw your attention to Note no. 28H of the Financial Statement on non-provision for doubtful advances pertaining to transactions of commodity trading in National Spot Exchange Limited as the matter is pending with regulatory authorities.
5. We draw attention to Note 28Q which indicates Happy Beverages & Foods Pvt Ltd, an Associate Company, has accumulated losses and substantially eroded net-worth which may indicate existence of material uncertainty that may cast significant doubt on the ability of Happy Beverages & Foods Pvt Ltd to continue as a going concern.
6. We draw attention to Note 28R in respect of the wholly owned subsidiary, Netsurf Direct Pte Ltd (Singapore), whose net worth has substantially eroded. In view of the Management's commitment to provide financial support to the subsidiary, the investment has not been impaired.

Our Opinion is not modified in respect of the above matters.



Information Other than the Standalone Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including annexure to Board's report but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
8. In connection with our audit of the standalone 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.

Management's Responsibility for the Standalone Financial Statements.

9. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the standalone financial statements

10. 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 Standalone financial statements.



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

- a) Identify and assess the risks of material misstatement of the standalone 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.
- b) 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) 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

12. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A"- a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read together with Rules thereon.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the Financial Statements.
- (g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended, the Company being a private limited company, the provisions of Section 197 are not applicable to the Company.
- (h) 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 - refer note 28 C) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- iv. (a) As represented to us by the management and to the best of its knowledge and belief, no funds have been advanced or lend or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (b) As represented to us by the management and to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the above representations under Clause (iv), sub-clause (a) & (b) contain any material mis-statement.
- v. The Company has complied with the provisions with respect to Section 123 of the Companies Act, 2013 in respect of final dividend proposed in the previous year, and paid by the company during the year and in the current year the company has not declared any dividend in view of losses.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For M M Nissim & Co LLP
Chartered Accountants
Firm Regn. No 107122W/W100672



Hiren P. Muni
Partner

Mem. No.: 142067

Place: Mumbai,

Date: 6th Sept., 2023

UDIN: 23142067 B 6TTCU2957



"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NETSURF COMMUNICATIONS PRIVATE LIMITED

- i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, the Property, Plant and Equipment, have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable, and no material discrepancies have been noticed on such physical verification;
- (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed / property tax paid documents (which evidences title) provided to us, we report that, the title in respect of all immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) a) The inventory has been physically verified by the management during the year at reasonable intervals. In our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operation. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventory when compared with books of account.
- b) According to the information and explanations given to us, during any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets;
- iii) a) During the year, the Company has made investments in Companies and other entities. The Company has not provided any guarantee or security to any companies, firms, Limited Liability Partnerships or any other parties. The Company has granted unsecured loans to Companies details of which are given below:

Particulars	Amount (Rs. In Lakhs)
A. Aggregate amount of loans granted during the year:	
- Associates	NIL
- Others	500.00
B. Balance as at 31 st March 2023 in respect of above cases:	
- Associates	NIL
- Others	730.00



b) The investments made and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest.

d) According to information and explanations given to us and based on the audit procedures performed, the Company has granted any loans or advances in the nature of loans without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii) (d) and (e) is not applicable and reporting for clause (f) is as under:

Particulars	Amount (Rs. In Lakhs)		
	All Parties	Promoters	Related Parties
Aggregate of loans / advances in nature of loans for which agreement does not specify any terms or period of repayment	1089.00	-	1089.00
Total	1089.00	-	1089.00
Percentage of loans/advances in nature of loans to the total loans	100%		100%

- iv) In our opinion, in respect of loans granted and investments made, the Company has complied with the provisions of Section 185 and 186 of the Act.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended. Accordingly, the provisions of clause 3(v) of Para 3 of the Order are not applicable to the Company.
- vi) The Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act.
- vii) a) The Company is regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and any other statutory dues with appropriate authorities, where applicable. There are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable.



b) According to the records of the Company, the dues outstanding of income-tax, sales tax, on account of any dispute are as follows:

Particulars	Period to which the amount related	Forum where the dispute is pending	Amount in Rupees
Income Tax	2007 - 08	Commissioner of Income Tax (Appeals)	1,49,238
Central Sales Tax	2015 - 16	The Joint Commissioner of State Tax , Pune	84,60,973

The are no dues including Goods and Services tax, provident fund, employees' state insurance, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities which are not deposited on account of any dispute.

- viii) As per information and explanation given to us and as verified, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessment under the Income Tax Act, 1961 during the year.
- ix) a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.
- a) The Company has not raised money by issuing any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.



- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi) a) On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any fraud by the Company or any material fraud on the Company has been noticed or reported during the year, nor have we been informed of any such case by the management.
- b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.
- xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements in Note 28N as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.
- xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of Sec 192 of the Companies Act, 2013 are not applicable.
- xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and also not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India thus accordingly, provisions of clause (xvi) (a), (b), (c), (d) of Para 3 of the Order are not applicable to the Company.
- xvii) The Company has incurred cash losses during the financial year covered by our audit and has not made cash losses in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.



- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on 'other than ongoing projects' requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with the provision of sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause (xx) (a) of Para 3 of the Order is not applicable for the year.
- xxi) (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on 'ongoing projects' requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with the provision of sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause (xx) (b) of Para 3 of the Order is not applicable for the year.
- xxii) According to the information and explanations given to us, and based on the CARO report issued by and the information provided by the auditors of the companies included in the consolidated financial statements of the Company we report that CARO is applicable only to the holding company and to its associate but not to other subsidiary company included in the consolidated financial statements. We have not reported any qualifications or adverse remarks in the CARO report of the holding company.

For M M NISSIM & CO LLP

Chartered Accountants

Firm Regn. No. 107122W / W100672



Hiren P Muni

Partner

Mem. No.: 142067

Place: Mumbai

Date: 6th Sept., 2023

UDIN: 23102067 B6TICU29 57



"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NETSURF COMMUNICATIONS PRIVATE LIMITED

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

We have audited the internal financial controls with reference to these standalone financial statements of NETSURF COMMUNICATIONS PRIVATE LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these standalone financial statements and such internal financial controls with reference to these standalone financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to these standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

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 with reference to these standalone financial statements 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing 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 statements were established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 with reference to these standalone financial statements.

Meaning of Internal Financial Controls with reference to these standalone financial statements

A company's internal financial control with reference to these standalone financial statements 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 with reference to these standalone financial statements 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 with reference to these standalone financial statements

Because of the inherent limitations of internal financial controls with reference to these standalone financial statements, 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 with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M M NISSIM & CO LLP**
Chartered Accountants
Firm Regn. No. 107122W / W100672



Hiren P Muni
Partner
Mem. No.: 142067
Place: Mumbai

Date: 6th Sept., 2023

UDIN: 23142067367TCU2957



NETSURF COMMUNICATIONS PRIVATE LIMITED
CIN : U74110PN2000PTC142615
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023

	Note	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
a) Share Capital	3	25.00	25.00
b) Reserves and Surplus	4	6,034.90	8,675.85
		<u>6,059.90</u>	<u>8,700.85</u>
(2) Non-Current Liabilities			
a) Long-Term Borrowings	5	281.10	410.40
b) Deferred Tax Liabilities (net)	6	-	100.18
c) Other Long Term Liabilities	7	1,547.71	1,660.48
		<u>1,828.81</u>	<u>2,171.06</u>
(3) Current Liabilities			
a) Short Term Borrowings	8	611.94	325.96
b) Trade Payables	9		
i) Total Outstandings dues to Micro and Small Enterprises (See Note 28F)		1,303.06	1,189.15
ii) Total Outstandings dues to Creditors other than Micro and Small Enterprises		252.58	275.48
c) Other Current Liabilities	10	2,709.58	2,578.05
d) Short-Term Provisions	11	56.01	56.01
		<u>4,933.17</u>	<u>4,424.65</u>
TOTAL		<u><u>12,821.88</u></u>	<u><u>15,296.56</u></u>
II. ASSETS			
(1) Non-Current Assets			
a) Property, Plant and Equipment and Intangible Assets	12		
i) Property, Plant and Equipment		3,294.45	3,447.57
ii) Intangible assets		3.84	7.85
b) Non-Current Investments	13	2,367.31	1,545.32
c) Long Term Loans & Advances	14	1,278.44	754.63
		<u>6,944.04</u>	<u>5,755.37</u>
(2) Current Assets			
a) Current investments	13	645.28	1,344.03
b) Inventories	15	1,598.71	3,020.45
c) Trade Receivables	16	872.11	1,630.42
d) Cash & Cash Equivalent	17	505.88	1,516.90
e) Short Term Loans & Advances	14	2,255.86	2,029.39
		<u>5,877.84</u>	<u>9,541.19</u>
TOTAL		<u><u>12,821.88</u></u>	<u><u>15,296.56</u></u>
Significant Accounting Policies	2		


The additional notes and information are an integral part of these financial statements.

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

For M M NISSIM & CO LLP

Chartered Accountants

(Firm Regn. No. 107122W / W100672)



Hiren P Muni
Partner
Mem. No. : 142067
Mumbai

Dated: 6th September, 2023





Mr. Sanjay Malpani
Director
DIN -00901995



Mr. Sujit Jain
Managing Director
DIN -01463586



NETSURF COMMUNICATIONS PRIVATE LIMITED
CIN : U74110PN2000PTC142615
STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

	Note	2022-23 (Rs. In Lakhs)	2021-22 (Rs. In Lakhs)
INCOME			
Revenue from operations	18	19,753.24	30,754.81
		<u>19,753.24</u>	<u>30,754.81</u>
Other operating income	19	665.53	78.50
Other income	20	673.95	577.12
Total Income		<u><u>21,092.72</u></u>	<u><u>31,410.43</u></u>
EXPENSES			
Cost of Material Consumed	21	180.07	218.37
Purchases of Stock in Trade	22	3,150.98	7,078.99
Changes in Inventory of Stock in Trade and Finished Good:	23	1,334.84	(329.86)
Employee benefits expense	24	2,109.02	2,004.43
Finance costs	25	52.63	37.93
Depreciation & Amortisation expense	26	184.32	228.88
Other expenses	27	16,703.28	19,853.37
Total Expenses		<u><u>23,715.14</u></u>	<u><u>29,092.11</u></u>
PROFIT / (LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS		<u><u>(2,622.42)</u></u>	<u><u>2,318.32</u></u>
EXCEPTIONAL ITEMS			
		-	-
PROFIT / (LOSS) BEFORE TAX		<u><u>(2,622.42)</u></u>	<u><u>2,318.32</u></u>
Current tax		-	510.00
Deferred tax		(100.18)	21.93
Income Tax of Earlier Years		81.21	-
		<u><u>(18.97)</u></u>	<u><u>531.93</u></u>
PROFIT / (LOSS) FOR THE YEAR		<u><u>(2,603.45)</u></u>	<u><u>1,786.39</u></u>
Earnings per equity share (Face value of Rs 10/- each):	28 (f)		
Basic		(1,041.38)	714.56
Diluted		(1,041.38)	714.56

Significant Accounting Policies

2

The additional notes and information are an integral part of these financial statements.

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

For M M NISSIM & CO LLP

For Netsurf Communications Private Limited

Chartered Accountants

(Firm Regn. No. 107122W / W100672)







Hiren P Muni

Mr. Sanjay Malpani

Mr. Sujit Jain

Partner

Director

Managing Director

Mem. No. : 142067

DIN - 00901995

DIN -01463586

Mumbai

Dated: 6th September, 2023



NETSURF COMMUNICATIONS PRIVATE LIMITED
CIN : U74110PN2000PTC142615
STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST March 2023

(Rs. In Lakhs)

	Year ended 31 March 2023		Year ended 31 March 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) Before Tax	(2,622.42)		2,318.32	
Adjustment for:				
Depreciation	184.32		228.88	
Sundry Balances written off			-	
Dividend Received	(14.66)		(9.91)	
Unspent Liabilities/Sundry balances written back (net)	(411.01)		(309.08)	
Loss / (Gain) on PPE sold/discarded (Net)	(2.50)		4.36	
Loss / (Gain) on sale of investments	(122.00)		(165.05)	
Interest Received	(103.48)		(66.46)	
Interest Paid	52.63		37.93	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(3,039.12)		2,038.99
Adjustment for:				
(Increase) / Decrease Trade receivables	758.31		1,131.53	
(Increase) / Decrease Loans and Advances	(1,450.28)		(202.54)	
(Increase) / Decrease Inventories	1,421.74		(270.92)	
Increase / (Decrease) Trade Payable	91.01		(1,678.38)	
Increase / (Decrease) other current liabilities	542.54		(1,869.96)	
Increase / (Decrease) Short Term Provisions	-		(379.00)	
		1,363.32		(3,269.27)
CASH GENERATED FROM OPERATIONS		(1,675.80)		(1,230.28)
Direct Taxes paid	(81.21)		(510.00)	
		(81.21)		(510.00)
NET CASH FROM OPERATING ACTIVITIES		(1,757.01)		(1,740.28)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment for procurement of PPE	(75.24)		(492.92)	
Purchase of Non- Current Investments	(62.37)		(159.21)	
Investment in Subsidiary Netsurf Direct Pte Ltd (Singapore)	(59.62)		(32.73)	
Proceeds from Sale of Assets	50.56		0.04	
Proceeds from Sale of Current Investments	702.04		-	
Proceeds from Sale of Non Current Investments	118.71		272.60	
Dividend Received	14.66		9.91	
Interest received	103.48		66.46	
NET CASH USED IN INVESTING ACTIVITIES		792.22		(335.85)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of Long term borrowings	(129.30)		(124.19)	
Proceeds from Short term Borrowings (Net)	285.97		449.70	
Dealers Security Deposit (net of repayments)	(112.77)		220.51	
Interest paid	(52.63)		(37.93)	
Dividend / Corporate Dividend tax paid	(37.50)		(37.50)	
NET CASH FROM FINANCING ACTIVITIES		(46.23)		470.59
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(1,011.02)		(1,605.54)
Add: Cash and Cash Equivalents as at the beginning of the year		1,516.90		3,122.44
Cash and Cash Equivalents as at the year end (Refer Note 17)		505.88		1,516.90
Cash and Cash Equivalents include				
Cash and cheques on Hand		52.84		52.04
Balances with Banks in Current Accounts		453.04		1,464.86
		505.88		1,516.90

Note :

The above Cash flow Statement has been prepared under the Indirect Method.
This is the Cash flow Statement referred to in our report of even date.

For M M NISSIM & CO LLP

Chartered Accountants

(Firm Regn. No. 107122W / W100672)

Hiren P Muni

Partner

Mem. No. : 142067

Mumbai

Dated: 6th September, 2023



Sanjay Malpani

Mr. Sanjay Malpani

Director

DIN - 00901995

For Netsurf Communications Private Limited

Mr. Sujit Jain

Managing Director

DIN - 01463586



NETSURF COMMUNICATIONS PRIVATE LIMITED

CIN : U74110PN2000PTC142615

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 1 : NATURE OF OPERATIONS

Netsurf Communications Private Limited is primarily engaged in sale of bio organic products, nutritional food supplements, personal care products and cosmetics. The Company owns the product formulations and brands - Biofit, Naturamore, Herbs & More, Clean & More and Rang De.

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES

A Basis of Accounting

The accounts have been prepared on the accrual basis of accounting, under the historical cost convention, in accordance with the Companies Act, 2013 and the applicable accounting standards.

All assets and liabilities have been classified as Current or Non Current as per criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents the Company has determined its operating cycle for the purpose of current and non-current classification of assets and liabilities.

B Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialised.

The few critical estimations and judgments made in applying accounting policies are:

1. Property, Plant & Equipment:

The Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment. Factors such as changes in the expected level of usage, technological developments could impact the economic useful lives and residual values of these assets. Consequently the future depreciation charge could be revised and may have an impact on the profit of future years

2. Inventory:

Inventory obsolescence is based on assessment of the future uses. In all cases, inventory is carried at the lower of historical cost and net realisable value.

3. Defined Benefits Plan:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4. Income tax and Deferred Tax Assets:

Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amounts expected to be paid/reversed for uncertain tax positions.

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and the losses can be utilised. Accordingly the Company exercises judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.



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NETSURF COMMUNICATIONS PRIVATE LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES contd....

C Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

- i Revenue from the sales of goods are recognised at a point in time when risk & rewards in like goods is passed to the customer.
- ii Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- iii Event Management Income & Expenses are recognised on the happening of the event.
- iv Dividend Income is recognised when the right to receive is established

D Inventories

Stock in trade - Finished Goods are valued at lower of cost and net realisable value. The cost is arrived at on FIFO basis.

E Property, Plant & Equipment

Tangible Fixed Assets are stated at their original cost of acquisition/fair value less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributed cost of bringing the asset to working condition for its intended use.

Software which is not an integral part of the hardware is classified as an intangible asset.

Gain or losses arising from derecognition of Fixed Assets 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.

F Depreciation and amortization

Depreciation is provided on the life of assets and in the manner specified in Schedule II of the Companies Act, 2013 on straight-line basis in respect of all assets.

Product developments costs are amortized over a period of three years commencing from the date the asset is available to the Company for its use. Software is amortized over a period of three years, being its estimated useful life.

Assets costing less than Rs.5,000 are fully depreciated in the year of purchase.

G Impairment of Asset

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and "Value in use" of the assets. The estimated future cash flows considered for determining the value in use, are discounted to their present value at the weighted average cost of capital.

H Borrowing Cost

Borrowing costs directly attributable to the acquisition or construction of qualifying fixed assets are capitalized as part of the cost of the assets, up to the date the asset is put to use. Other borrowing costs are charged to the statement of profit and loss in the year in which they are incurred.



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NETSURF COMMUNICATIONS PRIVATE LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES contd....

I Foreign Currency Transactions

Initial Recognition

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

J Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

On Disposal of investments, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss.

K Capitalisation and Amortisation of Software development costs

Costs incurred towards development of Computer Software products, are charged to revenue in the year in which such cost are incurred, if in the opinion of the management, there is considerable uncertainty regarding the economic utility of the development.

L Leases

Lease rentals paid on operating lease are recognised as expense on a straight line basis over the lease term.

M Income Taxes

Tax expense comprises both current and deferred taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent periods are recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has carry forward unabsorbed depreciation and tax losses, deferred Tax assets are recognised only to the extent there is a virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realised.



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NETSURF COMMUNICATIONS PRIVATE LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES contd....

N Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

O Employees Benefits

Short term employee benefits are accounted in the period during which the services have been rendered.

The Company's contribution to the Provident Fund is remitted to the regional provident fund authorities based on fixed percentage of the eligible employees' salary and charged to the Statement of Profit & Loss.

Defined Benefit Plan

The Company's liability towards Gratuity, being defined benefit plan are accounted for based on Actuarial valuation done at the year end using the Projected Unit Credit Method. Actuarial gains and losses are charged to the Statement of Profit & Loss. The Gratuity liability is funded through a trust with the Life Insurance Corporation of India.

P Provisions, Contingent Liabilities and Contingent Assets

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognized, nor disclosed in the financial statements.

Q Segment Reporting

The operations of the Company are limited to two segments - (i) Agricultural Segment which is the Bio Products and (ii) Non Agricultural Segment which includes the cattle feed, nutritional food supplements, personal care products, home care products and others. Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable". Segment Assets and Liabilities represent Assets and Liabilities in respective segment. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable". The Company's secondary segment is the geographical distribution of activities. Revenue is specified by the location of the customers.

R Disclosure requirements under amended schedule III to the Companies Act, 2013

Ministry of Corporate Affairs (MCA) vide notification dated 24th March 2021, has amended schedule III to the Companies Act, 2013 to enhance the disclosure requirements in financial statements. The financial statements have been prepared after incorporating the amendments to the extent they are applicable.



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NETSURF COMMUNICATIONS PRIVATE LIMITED
CIN : U74110PN2000PTC142615
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 3: SHARE CAPITAL

	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Authorised		
2,50,000 Equity Shares of Rs. 10/- each	25.00	25.00
	<u>25.00</u>	<u>25.00</u>
Issued, Subscribed and Fully Paid-up		
2,50,000 Equity Shares of Rs. 10/- each	25.00	25.00
	<u>25.00</u>	<u>25.00</u>

Reconciliation of Shares outstanding as at the year end

	31 March 2023		31 March 2022	
	No. of Shares	(Rs. In Lakhs)	No. of Shares	(Rs. In Lakhs)
As at the beginning of the year	2,50,000	25.00	2,50,000	25.00
Add: Issued during the year	-	-	-	-
Outstanding as at the year end	<u>2,50,000</u>	<u>25.00</u>	<u>2,50,000</u>	<u>25.00</u>

(a) Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Shareholders holding more than 5 percent of the equity shares

Name of Shareholders	31 March 2023		31 March 2022	
	No. of Shares held	Percentage	No. of Shares held	Percentage
Mr. Sujit Jain	90,100	36%	90,100	36%
Mrs. Saroj Malpani	24,500	10%	24,500	10%
Mr. Sanjay Malpani	23,100	9%	23,100	9%
Mr. Sachin Shah	15,000	6%	15,000	6%
Mrs. Sapna Agarwal	12,500	5%	12,500	5%

(c) Promotor's Shareholding

Name of Shareholders	31 March 2023		31 March 2022	
	No. of Shares held	Percentage	No. of Shares held	Percentage
Mr. Sujit Jain	90,100	36%	90,100	36%
Mr. Sanjay Malpani	23,100	9%	23,100	9%
Mr. Rajkamal	1,450	1%	1,450	1%

NOTE 4: RESERVES AND SURPLUS

	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
General Reserve		
As per last Account	488.04	463.04
Add: Transfer from Surplus in the Statement of Profit & Loss	-	25.00
	<u>488.04</u>	<u>488.04</u>
Surplus in the statement of profit and loss		
Balance as per last financial statement	8,187.81	6,463.92
Profit / (Loss) for the year	(2,603.45)	1,786.39
	<u>5,584.36</u>	<u>8,250.31</u>
Less:- Appropriations		
Dividend Paid - Rs.15 per share (Previous Year - Rs 15 per share)	37.50	37.50
Transfer to General Reserve	-	25.00
	<u>37.50</u>	<u>62.50</u>
	<u>5,546.86</u>	<u>8,187.81</u>
	<u>6,034.90</u>	<u>8,675.85</u>

Note:

- 4.1 General Reserve is created by accumulated profits and is created by transfer of profits from Statement of Profit and Loss.
4.2 Surplus in the Statement of Profit and Loss are the Profits / (losses) that the company has earned till date, less any transfer to General Reserve and Dividend.



NETSURF COMMUNICATIONS PRIVATE LIMITED

CIN : U74110PN2000PTC142615

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 5: BORROWINGS

	Non-current		Current Maturities	
	31st March 2023 (Rs. in Lakhs)	31st March 2022 (Rs. in Lakhs)	31st March 2023 (Rs. in Lakhs)	31st March 2022 (Rs. in Lakhs)
Secured				
Term Loans from banks	132.01	200.26	69.17	63.97
Hire Purchase Loans	149.09	210.14	61.07	66.59
Cash Credit Facility from Bank			481.70	195.40
Amounts Disclosed under the head Short Term Borrowings (Note no 8)			611.94	325.96
	281.10	410.40		

- i) Term loan is secured against office premise, current assets and movable fixed assets of the Company. The loan is repayable in 84 equitable monthly instalments with interest rates ranging from 8.5% to 10.0% (Previous Year - 7.5% to 8.5%) as applicable and is expected to be fully repaid as per the repayment schedule by March 2026.
- ii) Hire Purchase Loans are secured against the vehicles. The loans are repayable in 60 equitable monthly instalments with interest rate of 7.90% (Previous Year 7.90%) and expected to be fully repaid as per the repayment schedule by June, 2024
- iii) There are no quarterly returns or statements of current assets filed by the Company with banks or financial institutions. The annual statement of current assets are in agreement with the books of accounts and there are no material discrepancy.

NOTE 6 : DEFERRED TAX ASSET / (LIABILITIES) (Net) :

	31st March 2023 (Rs. in Lakhs)	31st March 2022 (Rs. in Lakhs)
Breakup of Deferred Tax Assets / (Liabilities):		
Arising on account of timing difference in:		
- Depreciation	(116.04)	(114.43)
- Accrued Expenses allowable on actual payments	15.28	14.25
- Carry forward losses*	100.76	-
Deferred Tax Assets / (Liabilities) (Net)	-	(100.18)
* Restricted to the extent of deferred tax liability.		

NOTE 7 : OTHER LONG TERM LIABILITIES

	31st March 2023 (Rs. in Lakhs)	31st March 2022 (Rs. in Lakhs)
Trade Deposits	1,547.71	1,660.48
	1,547.71	1,660.48

NOTE 8 : SHORT TERM BORROWINGS

	31st March 2023 (Rs. in Lakhs)	31st March 2022 (Rs. in Lakhs)
Current maturities of long term borrowings (Refer Note 5)		
Term loan from banks	69.17	63.97
Hire Purchase Loans	61.07	66.59
Cash Credit Facility from Bank	481.70	195.40
	611.94	325.96



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NETSURF COMMUNICATIONS PRIVATE LIMITED
CIN : U74110PN2000PTC142615
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 9 : TRADE PAYABLES

	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Total Outstandings dues to Micro and Small Enterprises (See Note 28F)	1,303.06	1,189.15
Total Outstandings dues to Creditors other than Micro and Small Enterprises	252.58	275.48
	<u>1,555.64</u>	<u>1,464.63</u>

Ageing schedule as at 31st March, 2023

Particulars					(Rs. In Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,298.20	4.86	-	-	1,303.06
(ii) Others	218.57	29.43	0.41	4.17	252.58
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Ageing schedule as at 31st March, 2022

Particulars					(Rs. In Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,189.15	-	-	-	1,189.15
(ii) Others	267.20	0.62	3.59	4.07	275.48
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note:

The classification of Trade Payables into MSME and Other than MSME is based on confirmation received from the parties. During the year, the company has received MSME certificates in respect of a few vendors, hence the same has been classified as MSME Trade Payables for the current year.

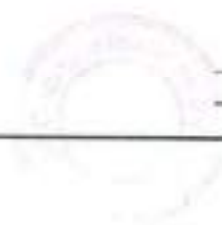
NOTE 10 : OTHER CURRENT LIABILITIES

	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Advance from customers	127.27	118.37
Statutory dues :		
Withholding Tax	377.14	326.03
Profession Tax	0.33	0.33
Goods and Service Tax	576.51	380.51
Other payables:		
Exgratia & employee benefits	72.10	67.86
Liabilities for expenses	1,556.23	1,684.95
	<u>2,709.58</u>	<u>2,578.05</u>

There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

NOTE 11 : SHORT-TERM PROVISIONS

	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Provision for Tax (Net of Taxes Paid)	56.01	56.01
	<u>56.01</u>	<u>56.01</u>



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NETSURF COMMUNICATIONS PRIVATE LIMITED
CIN : U74110PN2000PTC142615
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

A	Tangible Assets	Land	Building	Plant & Machinery	Furniture & Fixtures	End User Computer	Server & Network	Office Equipments	Vehicles	(Rs. in Lakhs)	
										Total	Total
Gross Block											
	As at 31st March 2021	-	1,467.88	208.19	435.38	117.38	5.63	261.94	379.65		2,876.05
	Additions	1,172.81	62.19	11.53	19.81	27.98	-	6.04	335.58		1,635.94
	Disposals	-	-	-	-	5.44	-	-	82.63		88.07
	As at 31st March 2022	1,172.81	1,530.07	219.72	455.19	139.92	5.63	267.98	632.60		4,423.92
	Additions	-	1.91	2.50	7.07	8.33	-	4.92	50.50		75.23
	Disposals	-	-	-	-	1.89	-	-	-		1.89
	Upto 31st March 2023	1,172.81	1,531.98	222.22	462.26	146.36	5.63	272.90	683.10		4,497.26
Depreciation											
	Upto 31st March 2021	-	96.02	110.30	145.95	94.82	1.04	183.42	204.05		835.60
	for the year	-	23.65	39.49	42.10	14.11	0.77	49.11	55.18		224.41
	Adj. For Disposals	-	-	-	-	5.17	-	-	78.50		83.67
	Upto 31st March 2022	-	119.67	149.79	188.05	103.76	1.81	232.53	180.73		976.34
	for the year	-	24.24	15.64	43.50	15.41	0.77	8.03	72.72		180.31
	Adj. For Disposals	-	-	-	-	1.80	-	-	(47.97)		(46.17)
	Upto 31st March 2023	-	143.91	165.43	231.55	117.37	2.58	240.56	301.42		1,202.82
Net Block											
	as at 31st March 2022	1,172.81	1,410.40	69.93	267.14	36.16	3.82	35.45	451.87		3,447.58
	as at 31st March 2023	1,172.81	1,388.07	56.79	230.71	28.99	3.05	32.34	381.68		3,294.45
B Intangible Assets											
Gross Block											
	As at 31st March 2021								243.97		243.97
	Additions								4.82		4.82
	As at 31st March 2022								248.79		248.79
	Additions								-		-
	Upto 31st March 2023								248.79		248.79
Amortization											
	Upto 31st March 2021								236.47		236.47
	for the year								4.47		4.47
	Upto 31st March 2022								240.94		240.94
	for the year								4.01		4.01
	Upto 31st March 2023								244.95		244.95
Net Block											
	as at 31st March 2022								7.85		7.85
	as at 31st March 2023								3.84		3.84

Note: All title deeds with respect to Freehold Land and Building are in the name of the Company



NETSURF COMMUNICATIONS PRIVATE LIMITED

CIN : U74110PN2000PTC142615

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

Note 13 : INVESTMENTS

	Non Current		Current	
	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Quoted - Other than Trade - Fully Paid (At Cost)				
3,500 (3,500) Equity Shares of Tech Mahindra Ltd. (Rs.5/-each)	6.76	6.76	-	-
3,582 (3,582) Equity Shares of Bajaj Finance Ltd. (Rs.2/-each)	34.46	34.46	-	-
8191 (8191) Equity Shares of HDFC Bank Ltd. (Rs.1/-each)	89.09	89.09	-	-
2,708 (2708) Equity Shares of Avenue Supermarkets Ltd. (Rs.10/-each)	32.47	32.47	-	-
18,000 (18,000) Equity Shares of Gujarat Ambuja Exports Ltd. (Rs.1/-each)	10.15	10.15	-	-
2,500 (2,500) Equity Shares of Maithan Alloys Ltd. (Rs.10/-each)	10.58	10.58	-	-
7,255 (7,255) Equity Shares of Ujjivan Financial Services Ltd. (Rs.10/-each)	18.62	18.62	-	-
1,000 (1,000) Equity Shares of IIFL Finance Ltd. (Rs.2/-each)	2.92	2.82	-	-
840 (840) Equity Shares of Whirlpool of India Ltd (Rs. 10/-each)	13.04	13.04	-	-
1,800 (1,800) Equity Share of HDFC Asset Management Company Ltd - (RS. 5/-	35.05	35.05	-	-
3,700 (3,700) Housing Development Finance Corporation Ltd - (RS.2/-each)	79.99	79.99	-	-
1,000 (1,000) Equity Shares of IIFL Securities Limited (ISL) - (RS.2/-each)	2.82	2.82	-	-
568 (142) Equity Shares of 360 One Warr Limited - (RS.1/-each)	0.40	0.40	-	-
8,728 (12,722) Equity Shares of Tata Consumer Product Ltd - (RS.1/-each)	40.49	56.08	-	-
40,000 (40000) Equity Shares of Meghmani Organics Ltd - (RS.1/-each)	29.84	29.84	-	-
3,760 (3,760) Equity Shares of Meghmani Finechem Ltd - (RS.10/-each)	-	-	-	-
3,000 (3,000) Equity Shares of Aarti Industries Ltd - (RS.5/-each)	18.71	18.71	-	-
750 (NIL) Equity Shares of Aarti Pharamalabs Ltd - (RS.5/-each)	-	-	-	-
2,656 (2,656) Equity Shares of Apl Apollo Tubes Ltd - (RS.2/-each)	17.52	17.52	-	-
1,383 (1,383) Equity Shares of Apollo Pipes Ltd - (RS.5/-each)	6.25	6.25	-	-
808 (808) Equity Shares of Divi'S Laboratories Ltd - (RS.2/-each)	32.62	32.62	-	-
386 (386) Equity Shares of Fairchem Organics Limited - (RS.10/-each)	7.04	7.04	-	-
26,957 (10,000) Equity Shares of GAIL (India) Ltd - (RS.10/-each)	25.71	12.46	-	-
2,639 (2,639) Equity Shares of Gokaldas Exports Ltd - (RS.5/-each)	9.88	9.88	-	-
2,000 (2,000) Equity Shares of Hdfc Stand Life In Co Ltd - (RS.10/-each)	13.22	13.22	-	-
9,069 (9,069) Equity Shares of ICICI Bank Ltd-Shares - (RS.2/-each)	54.05	54.05	-	-
494 (494) Equity Shares of ICICI Lombard Gic Limited - (RS.10/-each)	7.38	7.38	-	-
9,447 (8,000) Equity Shares of ITC Ltd-Shares - (RS.1/-each)	22.62	17.05	-	-
3,320 (664) Equity Shares of Jubilant Foodworks Ltd - (RS.2/-each)	22.24	22.24	-	-
1750 (NIL) Equity Shares of Kewal Kiran Clothing Limited - (Rs.10/-each)	7.89	-	-	-
20,000 (20,000) Equity Shares of Oil And Natural Gas Corp.(ONGC) - (RS.5/-each)	20.21	20.21	-	-
294 (294) Equity Shares of Persistent Systems Ltd - (RS.10/-each)	11.94	11.94	-	-
903 (500) Equity Shares of PI Industries Ltd - (RS.1/-each)	25.46	11.28	-	-
996 (1,600) Equity Shares of Privi Speciality Chemicals Ltd (formerly Fairchem Speciality Ltd - the demerged company) - (RS.10/-each)	6.36	10.43	-	-
326 (326) Equity Shares of Rossari Biotech Limited - (RS.2/-each)	3.55	3.55	-	-
3,000 (3,000) Equity Shares of United Phosphorus Limited (UPL) - (RS.2/-each)	13.91	13.91	-	-
3,040 (3,040) Equity Shares of Sequent Scientific Ltd- (RS.2/-each)	7.48	7.48	-	-
436 (436) Equity Shares of Somany Ceramics Limited- (RS.2/-each)	3.33	3.33	-	-
2,604 (2,604) Equity Shares of Supriya Lifescience Limited- (RS.2/-each)	11.76	11.76	-	-
2,192 (2,192) Equity Shares of Syngene International Ltd - (RS.10/-each)	12.75	12.75	-	-
121 (121) Equity Shares of Tata Consultancy Services Ltd - (RS.1/-each)	4.79	4.79	-	-
3,25,000 (3,25,000) Equity Shares of Vodafone Idea Ltd - (RS.10/-each)	25.19	25.19	-	-
NIL (277) Equity Shares of Voltamp Transformers Ltd - (RS.10/-each)	-	5.29	-	-



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NETSURF COMMUNICATIONS PRIVATE LIMITED

CIN : U74110PN2000PTC142615

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

Note 13 : INVESTMENTS

	Non Current		Current	
	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Unquoted - Trade - Fully Paid (At Cost)				
In Associates (at cost)				
8,68,990 (8,68,990) Equity Shares of Ajay Bio Tech (I) Ltd of Rs.6 each	48.28	48.28	-	-
6,544 (6,544) Equity Shares of Happy Beverages & Foods Pvt Ltd. of Rs.10 each	0.65	0.65	-	-
20,00,000 (20,00,000) 1% Cumulative Redeemable Preference Shares of Happy Beverages & Foods Pvt Ltd	200.00	200.00	-	-
1,00,000 (NIL), 0.01%, Optionally Convertible Non-cumulative Redeemable Preference Shares of Rs.10 Each at premium of Rs.690 for consideration other than cash in lieu of loan receivable of Happy Beverages & Foods Pvt Ltd	700.00	-	-	-
In Subsidiary (at cost)				
10,52,601 (9,52,601) Equity Shares of Netsurf Direct Pte Ltd (Singapore) of SGD 1.00 each	568.20	508.58	-	-
Others				
1,618 (1,618) Equity Shares of Kidderpore Holdings Ltd. of Rs. 10 each	0.16	0.16	-	-
5,000 (5,000) Equity Shares of My Lab Discovery Solutions Pvt Ltd. of Rs. 1 each	0.05	0.05	-	-
5,000 (5,000) Equity Shares of Maverick mobile solution of Rs. 1 each	0.10	0.10	-	-
50,000 (50,000) Debentures of L M Energy and softwares Pvt Ltd.	5.00	5.00	-	-
2083 (NIL) Equity Shares of Downtown Fashions Pvt Ltd. of Rs. 10 each purchased at premium of Rs.590	12.50	-	-	-
33928 (NIL), 7% Optionally Convertible Debentures of Downtown Fashions Pvt Ltd. of Rs. 100 each	33.93	-	-	-
Quoted - Other than Trade				
Mutual Funds Fully Paid (at cost, unless otherwise stated)				
16,776.477 (35,910.004) units of HDFC Liquid Fund-Growth	-	-	645.28	1,344.03
Grand Total	2,367.31	1,545.32	645.28	1,344.03
Aggregate market value of quoted investments - Shares	1,296.00	1,444.22		
Aggregate market value of quoted investments - Mutual Funds	735.48	1,490.91		
Aggregate market value of quoted investments - Total	2,031.48	2,935.13		
Aggregate book value of quoted investments	1,443.72	2,126.53		
Aggregate book value of unquoted investments	1,568.87	762.82		
Aggregate book value of quoted and unquoted investments	3,012.59	2,889.35		




NETSURF COMMUNICATIONS PRIVATE LIMITED

CIN : U74110PN2000PTC142615

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 14 : LOANS & ADVANCES

(Rs. In Lakhs)

	Long Term		Short Term	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Unsecured, Considered Good				
Loan to Employees	10.22	11.55	11.04	13.76
Loans to others (Refer Note 28 P)	1,016.50	470.14	73.39	728.11
Advances Recoverable in cash or in kind (See Note No. 28H)	35.87	35.87	2,076.90	1,159.99
Deposits*	159.64	154.08	-	-
Other loans and advances:				
Advance payment of Income Tax / Tax Deducted	56.21	82.99	-	-
Prepaid Expenses			94.53	127.53
	1,278.44	754.63	2,255.86	2,029.39

* Includes Rs.27.50 Lakhs (P.Y. Rs.26.01 Lakhs) and Rs. 52.84 Lakhs (P.Y. 50.41 Lakhs) of Fixed Deposits under lien with Government bodies and with Bank respectively.

NOTE 15 : INVENTORIES

(Rs. In Lakhs)

	31st March 2023	31st March 2022
	At lower of cost and net realisable value	
Traded Goods	1,405.12	2,510.51
Raw Material	41.30	119.93
Finished Goods	91.74	321.19
Packing and Promotional Material	60.55	68.82
	1,598.71	3,020.45

NOTE 16 : TRADE RECEIVABLES

(Rs. In Lakhs)

	31st March 2023	31st March 2022
	Overdue for a period more than six months from the date they are due for payment	
Secured, Considered Good	-	-
Unsecured, Considered Good	68.13	66.03
	68.13	66.03
Others		
Secured, Considered Good	-	-
Unsecured, Considered Good	803.98	1,564.39
	872.11	1,630.42

Trade Receivables ageing schedule: As at 31st March, 2023

(Rs. In Lakhs)

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	867.28	0.20	3.26	1.37	-	872.11
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Trade Receivables ageing schedule: As at 31st March, 2022

(Rs. In Lakhs)

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,564.39	-	2.45	0.01	63.57	1,630.42
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-



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NETSURF COMMUNICATIONS PRIVATE LIMITED
CIN : U74110PN2000PTC142615
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 17 : CASH & CASH EQUIVALENT

	Current	
	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Cash & Cash equivalents:		
Cash and Cheques on hand	39.13	36.40
Cash Imprest with Staff	13.71	15.64
Balances with banks: In Current Accounts	453.04	1,464.86
	<u>505.88</u>	<u>1,516.90</u>

NOTE 18 : REVENUE FROM OPERATIONS

	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Sales:		
Traded Goods	18,963.45	29,551.48
Finished Goods	789.79	1,203.33
	<u>19,753.24</u>	<u>30,754.81</u>

Details of sales (Net):

	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Class of Goods		
Bio Products	11,595.14	18,159.49
Cattle Feed	1,271.26	2,056.58
Nutritional food supplements	4,324.70	7,143.85
Home Care	125.96	145.34
Personal care (Herbs N More)	-	-
Manufactured Goods	789.79	1,203.33
Traded Goods	1,371.62	1,774.35
Rang De	214.10	149.42
Others	60.69	122.45
Total	<u>19,753.26</u>	<u>30,754.81</u>

NOTE 19 : OTHER OPERATING INCOME

	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Transaction Charges	48.01	78.50
Convenience Fees-(Opps Comm)	617.52	-
	<u>665.53</u>	<u>78.50</u>

NOTE 20 : OTHER INCOME

	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Dividend on Long Term Investment	14.66	9.91
Interest		
Bank Deposits	4.38	2.02
Other	99.10	64.44
Gain on Shares /Mutual Fund		
Current Investment	3.29	-
Non Current Investment	118.71	165.05
Unspent Liabilities/Sundry balances written back {net}	411.01	309.08
Profit on Sale of Asset	-	0.10
Miscellaneous Receipts	22.80	26.52
	<u>673.95</u>	<u>577.12</u>



NETSURF COMMUNICATIONS PRIVATE LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 21 : COST OF MATERIAL CONSUMED

	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Inventory at the beginning of the year	150.77	209.59
Add: Purchases	99.96	159.55
Less: Inventory at the end of the year	70.66	150.77
Cost of materials consumed	180.07	218.37

Details of Cost of Materials Consumed		(Rs. In Lakhs)
Particulars	Total	
Raw Materials Consumed	127.33	
Packing Materials Consumed	52.74	
Total Cost of Materials Consumed	180.07	

NOTE 22 : PURCHASES OF STOCK IN TRADE

(Rs. In Lakhs)

Purchases - Stock in Trade	3,150.98	7,078.99
	3,150.98	7,078.99
Class of Goods		
Bio Products	1,864.83	4,196.93
Nutritional food supplements	613.35	1,738.07
Personal care (Herbs N More)	307.95	364.84
Home Care	51.90	29.17
Cattle feed	177.23	523.78
Others	235.69	226.20
	3,250.95	7,078.99

NOTE 23 : CHANGES IN INVENTORY OF STOCK IN TRADE AND FINISHED GOODS

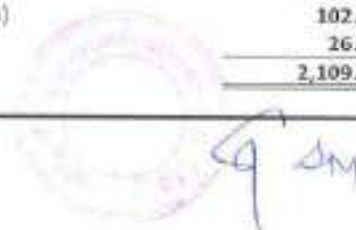
	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Closing Stock:		
Traded Goods	1,405.12	2,510.51
Finished Goods	91.74	321.19
Less: Opening Stock :		
Traded Goods	2,510.51	2,120.91
Finished Goods	321.19	380.03
Increase / (Decrease) in Stocks	(1,334.84)	329.86

Details of Inventory

Class of Goods	Closing Stock	Opening Stock
	(Rs. In Lakhs)	(Rs. In Lakhs)
Bio Products	717.04	1,122.47
Nutritional food supplement	330.75	927.28
Personal care (Herbs N More)	229.05	538.41
Home Care	21.38	8.90
Rang de	131.50	93.54
Cattle Feed	46.25	118.22
Others (Promotional & Allied Products)	20.89	22.88
	1,496.86	2,831.70

NOTE 24 : EMPLOYEE BENEFITS EXPENSE

	31st March 2023 (Rs. In Lakhs)	31st March 2022 (Rs. In Lakhs)
Salaries, Wages, Bonus, and Allowances	1,979.35	1,900.31
Company's Contribution to Provident Fund and Gratuity (Refer Note (a) below)	102.69	83.83
Welfare Expenses	26.98	20.29
	2,109.02	2,004.43



NETSURF COMMUNICATIONS PRIVATE LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 24 : EMPLOYEE BENEFITS EXPENSE Contd

	31st March 2023 (Rs. in Lakhs)	31st March 2022 (Rs. in Lakhs)
a During the year, the company has recognised the following in the Statement of Profit & Loss:		
(i) Defined contribution plans:		
Employer's contribution to Provident Fund & Pension Fund	68.90	63.62
(ii) Defined benefit plans:	Gratuity Funded	
Service Cost	16.73	15.37
Interest Cost	10.99	8.18
Past Service Cost	-	-
Expected return on plan assets	16.04	12.71
Net Actuarial (Gain) / Loss	8.82	31.18
Net Cost	52.58	67.44
b Amount recognised in the Balance Sheet		
Present value of defined benefit obligation	175.25	151.59
Fair value of plan assets	(225.66)	(215.28)
Net asset / (liability) as at 31st March, 23 recognised in the Balance Sheet	50.41	63.69
c Change in defined benefit obligation		
Present value of obligation as at 1st April, 22	151.59	131.61
Service Cost	16.73	15.37
Interest Cost	10.99	8.18
Past Service Cost	-	-
Actuarial (Gain) / Loss	6.51	29.54
Benefits Paid	(10.57)	(33.11)
Present value of obligation as at 31st March, 23	175.25	151.59
d Change in fair value of plan assets		
Fair value of plan assets as at 1st April, 22	215.28	153.29
Expected return on plan assets	16.04	12.71
Contribution by employer	7.23	84.04
Actuarial Gain / (Loss)	(2.32)	(1.65)
Benefits payouts	(10.57)	(33.11)
Fair value of plan assets as at 31st March, 23	225.66	215.28
e The principal actuarial assumptions		
Discount rate	7.52% p.a.	7.51% p.a.
Salary escalation rate:		
Staff	5.00% p.a.	5.00% p.a.
Expected rate of return on plan assets	7.51% p.a.	7.11% p.a.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The company was providing for Gratuity based on the amount payable as per demand raised by the Life Insurance Corporation of India on an Actual basis. During the Current year the company has accounted for gratuity in line with the actuarial valuation made by the independent valuer.

f Investment details of plan assets

L.I.C. Group Gratuity (Cash Accumulation) Scheme

% of Plan Assets	% of Plan Assets
100%	100%



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NETSURF COMMUNICATIONS PRIVATE LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 24 : EMPLOYEE BENEFITS EXPENSE Contd...

(Rs. in Lakhs)

k Amounts for the current and previous periods are as follows:

Gratuity	31.03.2023	31.03.2022	31.03.2021	31.03.2020	31.03.2019
Defined Benefit Obligation	175.25	151.59	131.62	111.37	78.97
Plan Assets	(225.66)	(215.28)	(153.29)	(115.24)	(73.46)
{Surplus}/ Deficit	(50.41)	(63.69)	(21.67)	(3.87)	5.51
Experience adjustments on plan liabilities	6.69	35.86	4.04	6.43	4.83
Experience adjustments on plan assets	2.32	1.65	0.17	(0.08)	(12.65)

* The management has relied on the overall actuarial valuation conducted by an independent actuary.

NOTE 25 : FINANCE COSTS

	31st March 2023 (Rs. in Lakhs)	31st March 2022 (Rs. in Lakhs)
Interest		
On Term Loans	52.63	37.48
Others	-	0.45
	52.63	37.93

NOTE 26 : DEPRECIATION & AMORTISATION EXPENSE

	31st March 2023 (Rs. in Lakhs)	31st March 2022 (Rs. in Lakhs)
Depreciation on tangible assets	180.31	224.41
Amortisation on intangible assets	4.01	4.47
	184.32	228.88



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NETSURF COMMUNICATIONS PRIVATE LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 27 : OTHER EXPENSES

	31st March 2023 (Rs. in Lakhs)	31st March 2022 (Rs. in Lakhs)
Packing and Forwarding charges	359.11	441.64
Power and Fuel	55.65	45.08
Repairs and Maintenance:		
Computers	47.03	35.12
Building	42.53	59.46
Other Assets	76.11	63.05
Insurance	190.19	201.51
Rent (Refer Note 28G)	197.41	178.70
Rental for lease line	2.73	2.82
Rates and Taxes	15.89	26.50
Printing and Stationery	3.76	5.19
Travelling & Conveyance	305.64	168.66
Communication Expenses	36.78	36.92
Legal & Professional Charges	412.27	338.43
Auditors' Remuneration:		
As Auditors:		
Audit fee	4.50	10.25
Tax Audit fee & Transfer Pricing Audit Fee	2.25	2.25
Reimbursement of Expenses	2.72	1.02
	9.47	13.52
Commission on Sales		
Turnover Based	3,148.25	5,069.13
Business Development	1,340.30	2,302.99
Other Commission	7,438.98	8,262.64
	11,927.53	15,634.76
Franchisee/SP Commission	681.31	997.82
Redemption (Voucher)	-	177.61
Discount Given (Voucher)	-	0.71
Warehouse Charges	3.25	4.08
Loading Unloading Charges	13.49	16.38
Sales Promotion Expenses	1,681.97	884.55
Software Expenses	37.31	47.60
Donations	17.00	40.20
CSR Activity Expenses	36.00	29.40
Bank Charges	92.63	101.11
Sales tax Expenses	0.75	21.67
GST Expenses	420.13	241.05
(Gain) / Loss on Disposal of Assets	(2.50)	4.36
Miscellaneous Expenses	39.84	35.47
	16,703.28	19,853.37



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NETSURF COMMUNICATIONS PRIVATE LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

NOTE 28 : OTHER ADDITIONAL NOTES / INFORMATION

- A. Balances in the accounts of creditors, advances and deposits are taken as appearing in the books of accounts, are subject to confirmation and reconciliation.
- B. In the opinion of the Board, the Current Assets, Loans and Advances of the company are approximately of the value stated, if realized in the ordinary course of business. The provisions for all known liabilities are adequate and are not in excess of the amount reasonably necessary.
- C. Contingent liability, not provided for:
- Disputed income tax demands Rs 1.5 Lakhs (Previous year- Rs 1.5 Lakhs) for A.Y. 2007-08 and Rs 64.73 Lakhs for A.Y. 2021-22 (Previous year- Nil) pending before appellate authorities.
 - Disputed central sales tax demands Rs.84.03 Lakhs (Previous year- Rs. 84.03 Lakhs) pending before appellate authorities.
 - Bank Guarantee of Rs.464.20 Lakhs (Previous year- Nil) and Rs.500.00 Lakhs (Previous year- Nil) given in the banks of Netsurf Research Labs Private Limited and Ajay Bio-tech India Limited respectively.
- D. Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) are Rs. Nil (Previous Year - Rs Nil)
- E. Loans and advances includes an amount of Rs 749.21 Lakhs (Previous year Rs. 262.20 Lakhs) given to companies in which directors are interested as members. (also refer note 28(P))
- F. Dues to Micro and Small enterprises under Micro, Small and Medium Enterprise Development Act, 2006; (MSMED) (Rs. In Lakhs)
- | | 2022-23 | 2021-22 |
|--|----------|----------|
| | 1,303.06 | 1,185.15 |

The information given below and included in other current liabilities regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors. Other information regarding MSME Creditors is not provided as the relevant provisions of the MSMED Act, 2006 are not applicable.

(i) Principal amount due to suppliers under MSMED

1,303.06 1,185.15

- G. The Company has taken various premises under operating leases. These are generally not non-cancellable and range between 3 years to 5 years and above and are renewable by mutual consent on mutually agreeable terms. Lease payments are recognised in the Statement of Profit and Loss under the head "Rent".

	(Rs. In Lakhs)	
	2022-23	2021-22
Minimum future lease payments:		
- Not Later than one year	201.62	204.83
- Later than one year, but Not Later than five years	342.22	516.61

- H. Advances recoverable in cash or in kind includes an amount of Rs.349.37 Lakhs (P.Y. Rs.349.37 Lakhs) representing stock of commodities dealt with National Spot Exchange Limited. Pending investigations on the fraud in the exchange, the said amounts have been classified and grouped under the head advances recoverable and further, no provision has been made for any doubtful advances, the matter being subjudice.

I. Earning per Share (EPS)

	31.03.2023	31.03.2022
Net Profit / (Loss) as per Statement of Profit & Loss (Rs. In Lakhs)	(2,603.45)	1,786.39
Number of equity Shares (face value Rs. 20 per share)	2,50,000.00	2,50,000.00
Earning Per Share - Basic (in Rs.)	(1,041.38)	714.56
Earning Per Share - Diluted (in Rs.)	(1,041.38)	714.56

J. Expenditure in foreign Currency

(Rs. in Lakhs)

	31.03.2023	31.03.2022
Professional Fees	47.75	59.23

K. Segment reporting

The following table presents revenue and profit/(loss) information regarding business/geographical segments for the year ended 31st March, 2023 and certain assets and liabilities information regarding business and geographical segments as at 31st March, 2023

i. Primary Segment Reporting

(Rs. In Lakhs)

	2022-23			2021-22		
	Agricultural	Non-agricultural	Total	Agricultural	Non-agricultural	Total
Revenue from Operations	11,595.13	8,158.13	19,753.26	18,188.48	13,505.23	30,754.81
Add: Other Operating Income	390.66	278.87	669.53	91.80	26.90	78.50
Total Revenue	11,985.79	8,437.00	20,422.77	18,280.28	13,532.13	30,832.31
Segment Results	3,225.48	416.82	3,642.30	2,477.30	(597.38)	1,879.92
Less: Finance Cost			52.65			37.93
Less: Other Unallocable Expenditure net of Unallocable Income			3,412.10			4,361.49
Profit / (Loss) before tax			(2,622.45)			2,318.52
Less: Provision for Current tax, Deferred tax and Income tax of earlier years			48.98			531.93
Profit / (Loss) after tax			(2,671.43)			1,786.59
Segment assets	717.04	881.87	1,598.91	1,045.68	1,894.30	2,971.46
Unallocated assets			11,223.17			12,418.58
Total assets			12,822.08			15,290.04
Segment liabilities	1,149.11	410.43	1,559.54	992.18	178.48	1,170.66
Unallocated liabilities			11,266.34			14,173.94
Total liabilities			12,825.88			15,294.60
Unallocated Capital Expenditure			75.23			1,840.78
Unallocated Depreciation			184.32			223.88

ii. Secondary Segment Reporting

(Rs. in Lakhs)

	Within India		Outside India		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Revenue	19,752.40	30,754.85	0.89	-	19,753.29	30,754.85
Total Assets	12,252.81	15,253.97	589.07	42.58	12,821.88	15,296.55
Capital Expenditure	-	-	-	-	-	-



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NOTE 28 : OTHER ADDITIONAL NOTES / INFORMATION contd...

L Key Financial Ratios

Particulars	Numerator	Denominator	FY 22-23	FY 21-22	Change in Percentage (%)	Reason for change if variation is more than 25%
(a) Current Ratio	Current Assets	Current Liabilities	1.19	2.16	(45.00)	Reduction is due to increase in Cash Credit Facility around by 2.86 Cr and decrease in trade receivables by 8.28 Cr
(b) Debt-Equity Ratio	Total Outside Liabilities	Total Shareholders Equity	0.05	0.05	(2.00)	
(c) Debt Service Coverage Ratio	Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Interest	Current Debt Obligation (Interest + Instalments)	-9.14	5.74	(259.00)	Reduction is due to loss incurred during FY 22-23
(d) Return on Equity Ratio	Net Profit after taxes Less preference dividend (if any)	(Beginning shareholders' equity + Ending shareholders' equity) ÷ 2	-0.43	0.21	(309.00)	Reduction is due to loss incurred during FY 22-23
(e) Inventory turnover ratio	(Opening Stock + Purchases) Less Closing Stock	(Opening Stock + Closing Stock)/2	2.07	2.53	(18.00)	
(f) Trade Receivables turnover ratio	Credit Sales	Trade Receivables	15.79	14.00	13.00	Reduction is due to decrease in sales
(g) Trade payables turnover ratio	Annual Net Credit Purchases	Trade Payables	2.15	3.14	(31.00)	Reduction in sales volume resulted in lower purchases during the year
(h) Net capital turnover ratio	Total Sales Less Sales Return	Current Assets Less Current Liabilities	20.91	6.01	248.00	Reduction is due to decrease in working capital
(i) Net profit ratio	Profit After Tax	Sales	-0.13	0.06	(327.00)	Reduction is due to loss incurred during FY 22-23
(j) Return on Capital employed	Profit before Interest and Taxes	Total Assets Less Current Liabilities	-0.41	0.26	(257.00)	Reduction is due to loss incurred during FY 22-23
(k) Return on investment	Return/Profit/Earnings	Investment	-0.43	0.21	(309.00)	Reduction is due to loss incurred during FY 22-23

M CSR Activity

	Particulars	Amount (Rs. In Lakhs)
1	Average Net Profit for last three years	1790.89
2	Total CSR Expenditure to be incurred	35.82
3	Last year excess CSR expenditure brought forward	0.21
4	Amount required to be spent by the company during the year.	35.61
5	Amount of expenditure incurred	36.00
6	Shortfall at the end of the year,	0.00
7	Total of previous years shortfall	0.00
8	Reason for shortfall	0.00
9	Nature of CSR activities	Promoting education including special education among children and differently abled. Setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens. Promoting health care including preventive health care for senior citizens, women and children.
10	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil
11	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Nil

NOTE 28: OTHER ADDITIONAL NOTES / INFORMATION contd...

N. RELATED PARTY DISCLOSURES:

Key Management Personnel (KMP)	1	Mr. Sujit Jain Mr. Sanjay Malpani Mr. Ketan Gansu
Subsidiaries	1	Netsurf Direct Pte Ltd. (Singapore)
Step Down Subsidiary Associate of Subsidiary	1	Netsurf Direct (USA) Netsurf Direct Co. Ltd. (Thailand)
Associates	1	Ajay Biotech (I) Ltd. Happy Beverages & Foods Pvt Ltd
Relative of Key Management Personnel		Mr. S.K. Jain (Father of Mr Sujit Jain) Late Mr. Gopandharas Malpani (Father of Mr Sanjay Malpani) (deceased on 13th Oct 2021) Ms. Shikuntala Govardandas Malpani (Mother of Mr Sanjay Malpani) Ms. Anita S Jain (Wife of Mr. Sujit Jain) Ms. Saroj Malpani (Wife of Mr Sanjay Malpani) Mrs. Papito P Jain (Sister of Sujit Jain) Ms. Aashna Jain (Daughter of Mr Sujit Jain)
Enterprises in which KMPs are able to Exercise significant influence	1	Netsurf Research Labs (P) Ltd. (Formerly known as Netme Technologies (P) Ltd.) Netsurf Entertainment LLP My Lab Discovery Solutions (P) Ltd. Jade Securities Pvt Ltd. Parivan Law Associates Seva Infotech Private Limited Netsurf Bio-Tech Private Limited Sanjay knit Private Limited Maverick Mobile Solutions Private Limited



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NOTE 28 : OTHER ADDITIONAL NOTES / INFORMATION contd...

C Transactions:

Particulars	KMP		Relatives of KMP		Associates / Subsidiaries / Step down Subsidiaries		Enterprises in which KMPs are able to exercise significant influence	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Purchases								
Ajay Biotech (I) Ltd					2,076.33	4,547.53		
Netsurf Research Labs (P) Ltd.					-	-	498.08	1,500.43
Sales Promotion Expenses								
Netsurf Entertainment LLP							-	25.00
Reimbursement of Electricity Expenses								
Netsurf Research Labs (P) Ltd.							36.69	12.64
Other Expenses								
Netsurf Research Labs (P) Ltd.							1.98	3.20
Repairs and Maintenance								
Netsurf Research Labs (P) Ltd.							-	22.06
Staff Welfare Expenses								
Happy Beverages & Foods Pvt. Ltd.					2.99	2.32		
Remuneration								
Mr. Sujit Jain	383.11	391.95	-	-	-	-	-	-
Mr. Sanjay Malpani	300.00	300.00	-	-	-	-	-	-
Mr. Ketan Garw	81.68	124.96						
Rest								
Mr. Sanjay Malpani	18.63	17.74						
Mr. S.K. Jain	-	-	12.00	3.33	-	-		
Late Mr. Goverdhandas Malpani			-	8.69				
Ms. Shakuntala Goverdhandas Malpani			15.97	6.52				
Ms. Anita S. Jain			8.36	5.00				
Ms. Saroj Malpani			35.23	33.55				
Reimbursement								
Seva Infotech Private Ltd.							-	10.44
Interest Received								
Happy Beverages and Foods (P) Ltd.							35.76	39.23
Seva Infotech Private Limited							9.00	0.05
Netsurf Bio-tech Private Limited							30.06	2.88
Commission paid								
Jade Securities Pvt Ltd.							0.23	0.30
Professional fees								
Parikom Law Associates			0.45	-				
Dividend Paid								
Mr. Sujit Jain	13.89	13.85						
Mr. Sanjay Malpani	3.47	3.47						
Ms. Saroj Malpani			3.68	1.64				
Ms. Aashna S. Jain			0.38	0.38				
Mrs. Anita S. Jain			0.38	0.38				
Mrs. Papita P. Jain			1.13	1.13				
M/S. Sanjay Int Pvt. Ltd.							1.50	1.50
Rest Received								
Netsurf Entertainment LLP							0.60	0.60
Advances recoverable as at the year end								
Netsurf Direct Pte Ltd. (Singapore) - Subsidiary							-	1.03
Netsurf Direct Co. Ltd. (Thailand)							-	51.39
Netsurf Direct (USA) - Step down Subsidiary							-	10.88
Trade Payables								
Netsurf Entertainment LLP							27.38	81.88
Ajay Biotech (I) Ltd					1,045.11	997.13	-	-
Intangible Assets under Development								
Happy Beverages & Foods Pvt. Ltd.						639.88	-	-
Rest Deposit								
Mr. Sanjay Malpani	7.52	7.52						
Late Mr. Goverdhandas Malpani -								
Ms. Shakuntala Goverdhandas Malpani			6.45	6.45				
Ms. Anita S. Jain			4.24	2.12				
Ms. Rishika P. Jain			-	2.12				
Ms. Saroj Malpani			14.23	14.23				
Investments in Associates								
(a) Outstanding as at the year end								
Ajay Biotech (I) Ltd					48.28	48.28	-	-
Happy Beverages & Foods Pvt Ltd - Eq Shares					0.65	0.65	-	-
Happy Beverages & Foods Pvt Ltd - Prf Shares					200.00	200.00	-	-
Happy Beverages & Foods Pvt Ltd - ODRIPS					700.00	-	-	-
(b) Investments in subsidiary								
Netsurf Direct Pte Ltd., Singapore					565.20	508.58		
(c) Investment								
Maverick Mobile Solutions Private Ltd							0.10	0.10
Loan to company in which KMP exercise significant influence								
Seva Infotech Private Limited							100.00	31.20
Netsurf Bio-tech Private Limited							385.00	230.00

No amount has been provided for doubtful debts or advances /written off or written back in the year in respect of debts due from/to above related parties.



Handwritten signature and a circular stamp of the company, Netsurf Communications Private Limited, Mumbai.

NOTE 28: OTHER ADDITIONAL NOTES / INFORMATION contd..

P Disclosures pursuant to Section 185 and 186 of the Companies Act, 2013:

The company has given loans to parties with following balances as at the year end. All the loans given as below are general purpose loans:

	31.03.2021 (Rs. in Lakhs)	31.03.2020 (Rs. in Lakhs)
India Center Foundation	25.00	25.00
Pravin Jain	28.39	25.47
Rupesh Bhatia	46.70	46.29
Samir Karmik	229.42	213.67
	329.51	310.43

Q Investment in Associate Company - Happy Beverages & Foods Pvt Ltd

The Company has an investment of 6,544 Equity Shares of Rs 10/- each in Happy Beverages & Foods Pvt Ltd, an associate company, comprising 42.11 % of the Equity Share Capital of the Company and 20,00,000 Cumulative Preference Shares of Rs 10/- each. The Company has converted its loan receivables from Happy Beverages & Foods Pvt Ltd of Rs.7 Crore to 1,00,000, 0.1% Optionally Convertible Non-cumulative Redeemable Preference Shares of Rs 10 Each at premium of Rs.950 redeemable in 7 Years.

Happy Beverages and Foods Pvt Ltd is in the process of setting up its own dairy plant to reduce the cost. It has also started B2B business in addition to the existing consumer sales. Further there are institutional tie-up like Marriott Hotels from where the company will be generating revenue.

It is also planning to launch a 'Ghee' product through holding company's distributor's network. Accordingly the accounts of this associate are drawn on going concern basis. The company will review the performance over the year.

R Investment in Subsidiary Company - Netsurf Direct Pte Ltd (Singapore)

The Company has investment in a wholly owned subsidiary viz. Netsurf Direct Pte Ltd (Singapore). This wholly owned subsidiary has investments in an associate viz. Netsurf Direct Co Ltd, Thailand and a subsidiary (step down subsidiary of the company) viz. Netsurf Direct Inc USA.

The net worth of the Company's wholly owned subsidiary viz. Netsurf Direct Pte Ltd (Singapore) has been substantially eroded. This is due to the disruption in the operations of the subsidiary, its associate and its step down subsidiary due to Covid pandemic.

Netsurf Direct Co Ltd Thailand is in the process of acquiring various product licenses and other statutory registrations in Thailand and has appointed one marketing support consultant, it is intending to start operations soon.

Netsurf Direct Inc USA is in the process of hiring the head of sales and it intends to restart operations from early period of 2021.

During the year, the company has further invested in 1,00,000 Equity Shares of face value \$0.5-1.00 each amounting to Rs. 59.62 Lakhs in its wholly owned subsidiary and the Company is committed to provide financial support to the subsidiary and is also taking steps to stabilize the business of subsidiary, its associate and the step down subsidiary.

In view thereof the investment of the company in the subsidiary amounting to Rs.585.28 Lakhs (previous year Rs.508.58 Lakhs) has not been impaired.

S The Board of directors has recommended a Nil dividend (Previous FY-Rs.15.00) on a face value of Rs 10.00, subject to approval from the shareholders. On approval the total dividend payment is expected to be Nil (Previous FY- Rs.37.50 Lakhs)

T Utilisation of Borrowed funds and share premium:

A) During the year the Company has not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

During the year the Company has not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

B) The Company has not granted any loans or advances in the nature of loans repayable on demand during the year. However, the company has given loans to Netsurf Bio-tech Private Limited & Seva Infotech Private Limited without specifying any terms or period of repayment in earlier years. The balance as at the year end of such loan is as under:

The aggregate amount of loans/ advances in nature of loans - Rs.485 Lakhs.

- loans/ advances in nature of loans (A) - Nil
- The agreement does not specify any terms or period of repayment (B) - Rs.485 Lakhs
- There is no agreement (C) - Nil
- Total (A+B+C) - 485 Lakhs

U The company did not have any material transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the financial year.

V Previous year figures have been regrouped and reclassified wherever required.

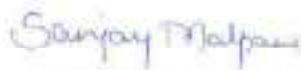
Signatures to the Notes to the Financial Statements which form an integral part of these Financial Statements.

For M M NISSIM & CO LLP
Chartered Accountants
(Firm Regn. No. 107122W / W100672)

For Netsurf Communications Private Limited



(Hiren P Muni)
Partner
Mem. No.: 142067
Mumbai

Mr. Sanjay Malpani
Director
DIN - 00901995



Mr. Sujit Jain
Managing Director
DIN - 01463586

Dated: 6th September, 2021

