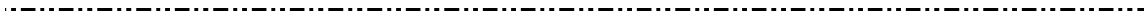


VERACITY POWERTRONICS PRIVATE LIMITED

AHMEDABAD

ANNUAL REPORT
FOR THE YEAR ENDED
MARCH 31, 2024



INDEPENDENT AUDITOR'S REPORT

To the members of

VERACITY POWERTRONICS PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Veracity Powertronics Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2024, the statement of profit and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024 and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the financial statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by

India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Reporting of Key Audit Matters as per SA 701 is not applicable to the Company as it is an unlisted company.

Information other than Financial Statements and the Auditor's Report thereon

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

the Institute of Chartered Accountants of India, Ashram Road, Navrangpura, Ahmedabad-380009.

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Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of 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 the fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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



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

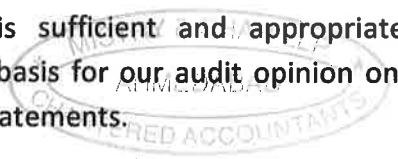
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



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g) The Company being a private limited company, 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, in respect of whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act is not applicable; and

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 does not have any litigation which would impact its financial position.

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 that were required to be transferred to the Investor Education and Protection Fund by the Company.

IV. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,

i.) no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(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

ii.) 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.



• **Materiality**

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

• **Communication with Management**

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

1. 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 Act, we give in the "Annexure A" statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The balance sheet, the statement of profit and the cash flow statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act,
- e) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, the reporting of Internal Financial Controls is not applicable.



- iii.) Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- IV) Such Other matters as may be prescribed. During the year, the company had not employed the accounting software that maintains audit trail which is prescribed under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

For, Mistry & Shah LLP
Chartered Accountants

F.R.N:- W100683



CA Krunal Shah
Partner
M.No.144596
UDIN: 24144596BKFRIO8246
Place: Ahmedabad
Date: 16th April, 2024

ANNEXURE "A"

TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF VERACITY POWERTRONICS PRIVATE LIMITED.

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement of our report of even date to the financial statements of the company for the year ended March 31st, 2023:

I.

a) In our opinion and according to the information given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment;

b) The Property, Plant & Equipment underwent thorough physical verification by management at regular intervals. As of March 31, 2024, based on this verification, all assets deemed unusable or unavailable for verification have been written off. Consequently, there are no remaining Property, Plant & Equipment within the company as of March 31, 2024

c) In our opinion and according to the information and explanations given to us company is not holding any immovable assets, so this point is not applicable.

d) The Company has not revalued its property, plant and equipment (including right of use asset) during the year. Accordingly, paragraph 3 (i) (d) of the Order is not applicable.

e) In our opinion and according to the information and explanations given to us,

there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, paragraph 3 (i) (e) of the Order is not applicable.

pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, paragraph 3 (i) (e) of the Order is not applicable.

II.

a) The inventories have been physically verified by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 20% or more in the aggregate for each class of inventory were noticed on such verification.

b) 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. The monthly returns or statements filed by the Company with the banks or financial institutions are in agreement with the books of accounts, except in the following cases mentioned in "Annexure B"



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- III. In our opinion and according to information and explanation given to us, the Company has not made investments in/ provided any guarantee or security/ granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- IV. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
- V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Accordingly, paragraph 3 (v) of the Order is not applicable.
- VI. The Central Government of India has prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
- VII. According to information and explanations given to us and based on our examination of the books of account, and records,

- a) Amounts deducted/accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited by the Company with the appropriate authorities.
- b) No undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2024 except the following:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount related
Income Tax Act, 1961	TDS Dues	3,880.00	F.Y 2022-23
Income Tax Act, 1961	TDS Dues	1,460.00	Period Prior to F.Y 2022-23

- c) There are no statutory dues referred to in sub-clause (a), which have not been deposited on account of dispute.

- VIII. In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,

registered under section 45-IA of the Reserve Bank of India Act 1934

- XII.** The Company is not a Nidhi Company and accordingly, Paragraphs 3 (xii) of the Order is not applicable.
- XIII.** In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV.**
- (a) In our opinion and according to the information and explanations are given to us, the Company does not require an internal audit system as per provision of section 138 of The Companies Act, 2013.
- (b) Since internal audit is not applicable to the Company, paragraph 3(xiv) of the Order is not applicable.
- XV.** In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- XVI.**
- (a) In our opinion and according to the information and explanations given to us, the Company is not required to be

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.

XVII. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

XVIII. There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3 (xviii) of the Order is not applicable.



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For Mistry & Shah LLP
Chartered Accountants
F.R.N:- W100683

Krunal Shah

CA Krunal Shah
Partner
M.No.144596
UDIN: 24144596BKFRI08246

Place: Ahmedabad
Date: 16th April, 2024



XIX. In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and management plans, there are no material uncertainty exists as on the date of the audit report 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.

XX. In our opinion and according to the information and explanations given to us, Provision for Corporate Social Responsibility as per Section 135 (5) of the Companies Act 2013 is not applicable to the company. Accordingly, paragraph 3 (xx) of the Order is not applicable.

XXI. In our opinion and according to the information and explanations are given to us, the Company does not have investments in subsidiaries/associates or joint venture companies. Accordingly, paragraph 3 (xxi) of the Order is not applicable.



1961 (43 of 1961). Accordingly, paragraph 3 (viii) of the Order is not applicable.

IX.

- (a) In our opinion and according to the information and explanations given to us, 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) In our opinion and according to the information and explanations given to us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the term loans obtained during the year were applied for the purpose for which they were availed.
- (d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.
- (e) The Company does not have any subsidiaries/ associates/ joint-ventures and accordingly, paragraphs 3 (ix) (e) and 3 (ix) (f) of the Order are not applicable.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

X.

- (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x) (b) of the Order is not applicable.

XI.

- (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable.
- (b) Since there is no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year, paragraph 3 (xi) (b) of the Order is not applicable.
- (c) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.

ANNEXURE "B"

TO THE INDEPENDENT AUDITOR'S REPORT ON Companies (Auditor's Report)

Particulars	Data as per Stock Statements			Data as per Books			Differences		
	Stock	Debtors	Sales	Stock	Debtors	Sales	Stock	Debtors	Sales
Apr-23									
May-23	12,25,000.00	62,38,692.00	26,82,003.00	2,25,000.00	1,88,015.00	56,233.00	10,00,000.00	60,50,677.00	26,25,770.00
Jun-23	29,10,847.00	1,03,69,621.00	25,35,770.00	10,846.00	6,76,323.00	26,25,770.00	29,00,001.00	96,93,298.00	-90,000.00
Jul-23	43,66,348.00	1,03,85,790.00	10,25,550.00	28,66,348.00	11,57,521.00	33,28,276.00	15,00,000.00	92,28,269.00	-23,02,726.00
Aug-23	1,28,66,348.00	2,05,53,709.00	1,69,92,389.00	28,78,848.00	11,38,654.00	-	99,87,500.00	1,94,15,055.00	1,69,92,389.00
Sep-23	32,05,657.00	3,40,21,868.00	65,22,714.00	12,34,121.00	53,99,575.00	65,22,714.00	19,71,536.00	2,86,22,293.00	-
Oct-23	37,80,348.00	3,36,60,281.00	5,10,349.00	12,80,348.00	47,64,616.00	5,10,349.00	25,00,000.00	2,88,95,665.00	-
Nov-23	24,56,477.00	3,46,01,943.00	26,01,765.00	4,56,476.00	40,25,688.00	26,01,765.00	20,00,001.00	3,05,76,255.00	-
Dec-23	63,71,520.00	2,52,65,871.00	7,15,529.00	55,28,166.00	4,47,885.00	-	8,43,354.00	2,48,17,986.00	7,15,529.00
Jan-24	51,67,626.00	7,19,05,189.00	77,30,349.00	51,68,640.00	5,54,05,161.00	77,30,349.00	-1,014.00	1,65,00,028.00	-
Feb-24	1,66,06,856.00	1,74,61,676.00	2,17,79,600.00	1,41,07,911.00	10,09,71,219.00	2,17,79,600.00	24,98,945.00	-8,35,09,543.00	-
Mar-24	97,699.00	15,64,103.00	50,16,407.00	97,699.00	15,64,103.00	50,16,407.00	-	-	-
Total	5,90,54,726.00	26,60,28,743.00	6,81,12,425.00	3,38,54,403.00	17,57,38,760.00	5,01,71,463.00	2,52,00,323.00	9,02,89,983.00	1,79,40,962.00

Figures for reporting to bank were drawn from the unaudited provisional books of accounts.



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Veracity Powertronics Private limited

(CIN: U74140GJ2013PTC073203)

(Address: Office No. 301, Ashirvad Paras Opp Prahladnagar Garden, Ahmedabad, Gujarat, India, 380051, India.)

Balance Sheet as at 31 March 2024

(₹ in '000)

Particulars	Note	31 March 2024	31 March 2023
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	100.00	100.00
(b) Reserves and Surplus	4	14,987.51	5,733.90
(c) Money Received against Share Warrants		-	-
Total		15,087.51	5,833.90
(2) Share application money pending allotment			
		-	-
(3) Non-current liabilities			
(a) Long-term Borrowings	5	3,272.85	3,017.02
(b) Deferred Tax Liabilities (Net)	6	5.21	-
(c) Other Long term Liabilities		-	-
(d) Long-term Provisions	7	8.81	72.58
Total		3,286.87	3,089.60
(4) Current liabilities			
(a) Short-term Borrowings	8	21,809.31	-
(b) Trade Payables	9		
- Due to Micro and Small Enterprises		36.23	-
- Due to Others		4,980.17	1,815.50
(c) Other Current Liabilities	10	21,424.85	1,589.41
(d) Short-term Provisions	11	2,726.67	765.59
Total		50,977.23	4,170.50
Total Equity and Liabilities		69,351.61	13,094.00
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	12	-	164.29
(ii) Intangible Assets	12	153.41	-
(iii) Capital Work-in-progress		-	-
(iv) Intangible Assets under Development		-	-
(b) Non-current Investments		-	-
(c) Deferred Tax Assets (net)	13	-	73.11
(d) Long-term Loans and Advances		-	-
(e) Other Non-current Assets	14	206.72	417.67
Total		360.13	655.07
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	15	97.70	-
(c) Trade Receivables	16	1,564.10	2,443.77
(d) Cash and cash equivalents	17	2,632.19	2,117.98
(e) Short-term Loans and Advances	18	64,213.41	7,836.26
(f) Other Current Assets	19	484.08	40.92
Total		68,991.48	12,438.93
Total Assets		69,351.61	13,094.00

See accompanying notes to the financial statements

As per our report of even date
For Mistry & Shah LLP
Chartered Accountants
Firm's Registration No. W100683

CA Krunal Shah
Partner
Membership No. 144596
UDIN: 24144596BKFRIO8246
Place: Ahmedabad
Date: 16 April 2024



For and on behalf of the Board of
Veracity Powertronics Private limited

Manan Brahmhatt
Director
DIN:02346616

Place: Ahmedabad
Date: 16 April 2024

Pramit Brahmhatt
Director
DIN:02400764



Veracity Powertronics Private limited

(CIN: U74140GJ2013PTC073203)

(Address: Office No. 301, Ashirvad Paras Opp Prahladnagar Garden, Ahmedabad, Gujarat, India, 380051, India.)

Statement of Profit and loss for the period ended 31 March 2024

(₹ in '000)

Particulars	Note	31 March 2024	31 March 2023
Revenue from Operations	20	1,17,344.80	57,015.66
Other Income	21	2,208.36	1,574.82
Total Income		1,19,553.16	58,590.48
Expenses			
Cost of Material Consumed		-	-
Purchases of Stock in Trade	22	97,446.35	5,239.88
Change in Inventories of work in progress and finished goods	23	-97.70	45,283.80
Employee Benefit Expenses	24	327.77	1,898.41
Finance Costs	25	2,578.02	598.74
Depreciation and Amortization Expenses	26	11.60	50.66
Other Expenses	27	6,769.70	2,701.79
Total expenses		1,07,035.74	55,773.28
Profit/(Loss) before Exceptional and Extraordinary Item and Tax		12,517.42	2,817.20
Exceptional Item		-	-
Profit/(Loss) before Extraordinary Item and Tax		12,517.42	2,817.20
Prior Period Item		-	-
Extraordinary Item	28	-	-
Profit/(Loss) before Tax		12,517.42	2,817.20
Tax Expenses	29		
- Current Tax		3,185.50	709.99
- Deferred Tax		78.31	193.01
- MAT Credit Entitlement		-	-
- Prior Period Taxes		-	-
- Excess/Short Provision Written back/off		-	-
Profit/(Loss) for the Period from Continuing Operations		9,253.61	1,914.20
Profit/(loss) from Discontinuing Operation (before tax)		-	-
Tax Expenses of Discounting Operation		-	-
Profit/(loss) from Discontinuing Operation (after tax)		-	-
Profit/(Loss) for the period		9,253.61	1,914.20
Earnings Per Share (Face Value per Share Rs.10 each)			
-Basic (In Rs)	30	925.36	191.42
-Diluted (In Rs)	30	925.36	191.42

See accompanying notes to the financial statements

As per our report of even date

For Mistry & Shah LLP

Chartered Accountants

Firm's Registration No. W100683

CA Krunal Shah

Partner

Membership No. 144596

UDIN: 24144596BKFRIO8246

Place: Ahmedabad

Date: 16 April 2024

For and on behalf of the Board of

Veracity Powertronics Private limited

Manan Brahmbhatt

Director

DIN:02346616

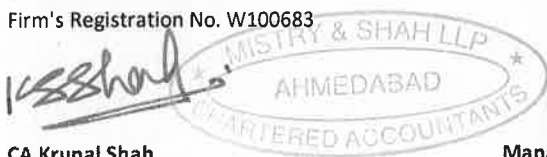
Place: Ahmedabad

Date: 16 April 2024

Pramit Brahmbhatt

Director

DIN:02400764



Veracity Powertronics Private limited

(CIN: U74140GJ2013PTC073203)

(Address: Office No. 301, Ashirvad Paras Opp Prahladnagar Garden, Ahmedabad, Gujarat, India,)

Cash Flow Statement for the year ended 31st March 2024

(in '000)

Particulars	Note	31st March 2024	31 March 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit after tax		9,253.61	1,914.20
Depreciation and Amortisation Expense		11.60	50.66
Provision for tax		78.32	193.01
Interest Income		-2,197.70	-
Finance Costs		1,887.91	574.47
Operating Profit before working capital changes		9,033.74	2,732.34
Adjustment for:			
Inventories		-97.70	45,283.80
Trade Receivables		879.66	-1,377.77
Loans and Advances		-	-5,223.04
Other Current Assets		-443.16	5,927.70
Other Non current Assets		-	-313.98
Trade Payables		3,200.90	-50,413.91
Other Current Liabilities		19,835.44	1,045.94
Long term Liabilities		-	-
Short-term Provisions		1,961.08	592.21
Long-term Provisions		-63.77	72.58
Cash (Used in)/Generated from Operations		34,306.19	-1,674.14
Tax paid(Net)		-	-
Net Cash (Used in)/Generated from Operating Activities		34,306.19	-1,674.14
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		-165.00	-
Sale of Property, Plant and Equipment		164.29	-
Loans and Advances given		-56,377.15	-
Movement in other non current assets		210.95	-
Interest received		2,197.70	-
Dividend received		-	-
Net Cash (Used in)/Generated from Investing Activities		-53,969.21	-
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Long Term Borrowings		255.84	3,017.03
Proceeds from Short Term Borrowings		21,809.31	-
Interest Paid		-1,887.91	-574.47
Net Cash (Used in)/Generated from Financing Activities		20,177.24	2,442.55
Net Increase/(Decrease) in Cash and Cash Equivalents		514.22	768.41
Opening Balance of Cash and Cash Equivalents		2,117.98	1,349.57
Exchange difference of Foreign Currency Cash and Cash equivalents		-	-
Closing Balance of Cash and Cash Equivalents	15	2,632.19	2,117.98

Note:

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements".

See accompanying notes to the financial statements

As per our report of even date
For Mistry & Shah LLP
 Chartered Accountants
 Firm's Registration No. W100683


CA Krunal Shah
 Partner
 Membership No. 144596
 UDIN: 23144596BGYZD2047
 Place: Ahmedabad
 Date: 16th April 2024

For and on behalf of the Board of
Veracity Powertronics Private Limited


Manan Brahmhatt
 Director
 DIN:02346616

Place: Ahmedabad
 Date: 16th April 2024


Pramit Brahmhatt
 Director
 DIN:02400764



Veracity Powertronics Private limited

(CIN: U74140GJ2013PTC073203)

Notes forming part of the Financial Statements

1 COMPANY INFORMATION

Veracity Powertronics Private Limited company is engaged in assembling of solar pump sets in India. We have distribution and supply network in entire India. With global presence exporting to many countries around the world, we are still expanding. With customer focus, we always offer our best quality product at affordable price and keep on investing in latest technology and R & D.

2 SIGNIFICANT ACCOUNTING POLICIES

a Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

b Use of estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Examples of such estimates include provisions for doubtful receivables, provision for income taxes, the useful lives of depreciable Property, Plant and Equipment and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

c Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation / amortisation. Costs include all expenses incurred to bring the asset to its present location and condition.

d Depreciation / amortisation

In respect of Property, Plant and Equipment (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortisation is charged on a Written down value basis so as to write-off the cost of the assets over the useful lives.

Type of Assets	Period
Buildings	30 Years
Plant and Equipment	15 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computers	3 Years
Intangible Asset	10 Years

g Investments

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

h Revenue recognition

Revenue has been considered as per AS 9- "Revenue Recognition" issued by Institute of Chartered Accountants of India, Revenue from sale of services is recognized net of returns, trade discounts, rebates, and GST.



Veracity Powertronics Private limited

(CIN: U74140GJ2013PTC073203)

Notes forming part of the Financial Statements

i Taxation

Current income tax expense comprises taxes on income from operations in India . Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

j Foreign currency transactions

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

k Inventories

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a First-in-First out basis. Purchased goods-in-transit are carried at cost. Raw Material is carried at the lower of cost and net realisable value. Stores and spare parts are carried at lower of cost and net realisable value. Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labour cost and a proportion of manufacturing overheads.

l Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

m Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

See accompanying notes to the financial statements

As per our report of even date

For Mistry & Shah LLP

Chartered Accountants

Firm's Registration No. W100683



CA Krunal Shah

Partner

Membership No. 144596

UDIN: 24144596BKFRI08246

Place: Ahmedabad

Date: 16 April 2024

For and on behalf of the Board of

Veracity Powertronics Private limited



Manan Brahmbhatt

Director

DIN:02346616

Place: Ahmedabad

Date: 16 April 2024


Pramit Brahmbhatt

Director

DIN:02400764



Veracity Powertronics Private limited
(CIN: U74140GJ2013PTC073203)
Notes forming part of the Financial Statements

3 Share Capital		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Authorised Share Capital			
Equity Shares, Rs. 10 par value, 10000 (Previous Year -10000) Equity Shares	100.00	100.00	
Issued, Subscribed and Fully Paid up Share Capital			
Equity Shares, Rs. 10 par value 10000 (Previous Year -10000) Equity Shares paid up	100.00	100.00	
Total	100.00	100.00	

(i) Reconciliation of number of shares

Particulars	31 March 2024		31 March 2023	
	No. of shares	(₹ in '000)	No. of shares	(₹ in '000)
Opening Balance	10,000	100.00	10,000	100.00
Issued during the year	-	-	-	-
Deletion	-	-	-	-
Closing balance	10,000	100.00	10,000	100.00

(ii) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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.

(iii) Shares held by Holding company, its Subsidiaries and Associates

Particulars	31 March 2024		31 March 2023	
	No of Shares	(₹ in '000)	No of Shares	(₹ in '000)
Sahaj Solar Limited	8,000	80.00	8,000	80.00

(iv) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company

Equity Shares Name of Shareholder	31 March 2024		31 March 2023	
	No. of shares	In %	No. of shares	In %
Pramit Brahmhatt	1,900	19.00%	2,000	20.00%

(v) Shares held by Promoters at the end of the year 31 March 2024

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Pramit Brahmhatt	Equity	1,900	19.00%	1.00%

Shares held by Promoters at the end of the year 31 March 2023

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Pramit Brahmhatt	Equity	2,000	20.00%	0.00%

As per records of the company, including its register of shareholder /Members and others declaration received from the shareholder regarding the beneficial interest, the above shareholding represents both the legal and beneficial ownership of shares.



Veracity Powertronics Private limited
(CIN: U74140GJ2013PTC073203)
Notes forming part of the Financial Statements

4 Reserves and Surplus		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Statement of Profit and loss			
Balance at the beginning of the year	5,733.90	3,819.70	
Add: Profit/(loss) during the year	9,253.61	1,914.20	
Balance at the end of the year	14,987.51	5,733.90	
Total	14,987.51	5,733.90	

5 Long term borrowings		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Unsecured Loans and advances from related parties	3,272.85	3,017.02	
Total	3,272.85	3,017.02	

Borrowings includes		(' in '000)	
Particulars	31 March 2024	31 March 2023	
Veracity Broking Services Private Limited	3,272.85	3,017.03	
Total	3,272.85	3,017.03	

Particulars of Long term Borrowings

Name of Lender/Type of Loan	Nature of Security	Rate of Interest	Monthly Installments	No of Installment
Veracity Broking Services Private Limited	Unsecured	9	Not Decided	Not Decided

The borrowing mentioned above is taken from the company in which director of the company is in common management.

Utilization of Proceeds received from Borrowings from Banks and Financial Institutions

The company has utilized the proceeds from Banks and Financial Institutions towards the specific purpose for which they were raised.

		(' in '000)	
Particulars	31 March 2024	31 March 2023	
Amount not utilized for the specific purpose	-	-	
Out of above amount:			

6 Deferred tax liabilities Net		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Deferred Tax Liabilities (Net)	5.21	-	
Total	5.21	-	



Veracity Powertronics Private limited
(CIN: U74140GJ2013PTC073203)
Notes forming part of the Financial Statements

Significant components of Deferred Tax		(' in '000)	
Particulars	31 March 2024	31 March 2023	
Deferred Tax Liability			
Difference between book depreciation and tax depreciation	7.46	-	
Gross Deferred Tax Liability (A)	7.46	-	
Deferred Tax Asset			
Expenses provided but allowable in Income tax on Payment basis	2.26	18.27	
Difference between book depreciation and tax depreciation		54.84	
Gross Deferred Tax Asset (B)	2.26	73.11	
Net Deferred Tax Liability (A)-(B)	5.21	-73.11	

7 Long term provisions		(' in '000)	
Particulars	31 March 2024	31 March 2023	
Provision for employee benefits	8.81	72.58	
Total	8.81	72.58	

1.Provision for Employee benefits includes the amount of Gratuity Expense and Leave Encashment Expense.
2.The amount of provision for gratuity and Leave Encashment is considered as per the actuary report from Government approved valuer Mr Kulin Patel dated 30th September,2023 (Regi No : 10235). The amount debited to Profit and Loss in current period is after netting of an amount of Rs 73,708 which is excess provision of previous period.

8 Short term borrowings		(' in '000)	
Particulars	31 March 2024	31 March 2023	
Secured Loans repayable on demand from banks	21,809.31	-	
Total	21,809.31	-	

Borrowings includes		(' in '000)	
Particulars	31 March 2024	31 March 2023	
Cash Credit Facility	21,577.66	-	
Total	21,577.66	-	

Particulars of Short term Borrowings

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
HDFC Bank	9.75	Stock-in-Trade & Book Debts

For the purpose of Working Capital, the credit facility sanctioned by HDFC Bank amounted to Rs.2,51,28,975 which includes Bank Guarantee amounting to Rs.128,975 (Secured against Fixed Deposits) and Cash Credit facility amounting to Rs.2,50,00,000.Such credit facility is sanctioned for a tenor of 12 months subject to its renewal.This credit facility sanctioned by the bank have been guaranteed by the directors and related concern which includes Veracity Energy and Infrastructure Private Limited and Sahaj Solar Limited.The primary security offered against such credit facility is CGTMSE Guarantee and Fixed Deposits for bank guarantee.The collateral security offered against such credit facility is Inventory,Book Debts and Personal guarantee of Directors and related concerns.



Veracity Powertronics Private limited
(CIN: U74140GJ2013PTC073203)
Notes forming part of the Financial Statements

9 Trade payables		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Due to Micro and Small Enterprises	36.23	-	
Due to others	4,980.17	1,815.50	
Total	5,016.40	1,815.50	

9.1 Trade Payable ageing schedule as at 31 March 2024						(₹ in '000)
Particulars	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
MSME	36.23				36.23	
Others	4,980.18				4,980.18	
Disputed dues- MSME					-	
Disputed dues- Others					-	
Sub total					5,016.41	
MSME - Undue						
Others - Undue						
Total					5,016.41	

9.2 Trade Payable ageing schedule as at 31 March 2023						(₹ in '000)
Particulars	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
MSME					-	
Others	1,810.78	4.72			1,815.51	
Disputed dues- MSME					-	
Disputed dues- Others					-	
Sub total					1,815.51	
MSME - Undue						
Others - Undue						
Total					1,815.51	

1.The Company has initiated the process of identification of supplier of registered under Micro , Small and Medium Enterprise Development Act , 2006 by Obtaining confirmation from all the supplier .Information has been collated to the extent information received.

2.Balance of Trade Payable are subject to confirmation.

3.Ageing Schedule for Trade Payable is provided by the management and it is believed to be accurate and reliable.

10 Other current liabilities		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Statutory dues	165.61	484.43	
Salaries and wages payable	20.00	956.00	
Advances from customers	21,066.48	148.98	
Deferred Revenue	172.76	-	
Total	21,424.85	1,589.41	

Deferred Revenue pertains to the revenue that will be recognized in future periods for invoices that have already been issued and offered for income upon receipt of the service contract.



Veracity Powertronics Private limited
(CIN: U74140GJ2013PTC073203)
Notes forming part of the Financial Statements

11 Short term provisions		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Provision for employee benefits	0.15	3.41	
Provision for income tax	2,696.52	709.98	
Provision for others			
-Provision for Audit Fees	27.00	52.20	
-Provision for Expenses	3.00	-	
Total	2,726.67	765.59	

1.Provision for Employee benefits includes the amount of Gratuity Expense and Leave Encashment Expense.

2.The amount of provision for gratuity and Leave Encashment is considered as per the actuary report from Government approved valuer Mr Kulin Patel dated 30th September,2023 (Regi No : 10235). The amount debited to Profit and Loss in current period is after netting of an amount of Rs 73,708 which is excess provision of previous period.



Veracity Powertronics Private limited

(CIN: U74140GJ2013PTC073203)

Notes forming part of the Financial Statements

12 Property, Plant and Equipment

Name of Assets	Gross Block				Depreciation and Amortization		Net Block	
	As on 01-Apr-23	Addition	Deduction	As on 31-Mar-24	As on 01-Apr-23	for the year	As on 31-Mar-24	As on 31-Mar-23
(i) Property, Plant and Equipment								
Furniture & Fixtures	224.03		-	224.03	224.03		224.03	-
Electric Installation	562.68		154.20	408.48	408.48		408.48	154.20
Office Equipments	83.12		10.09	73.03	73.03		73.03	10.09
Total	869.83	-	164.29	705.54	705.54	-	705.54	164.29
Previous Year								
(ii) Intangible Assets								
Software		165.00		165.00		11.60	11.60	153.41
Total	-	165.00	-	165.00	-	11.60	11.60	153.41
Previous Year								



Veracity Powertronics Private limited
(CIN: U74140GJ2013PTC073203)
Notes forming part of the Financial Statements

13 Deferred tax assets net		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Deferred tax asset (Net)	-	73.11	
Total	-	73.11	

14 Other non current assets		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Security Deposits			
-Tender Deposit	-	88.00	
-Others	51.84	103.68	
Bank Deposit having maturity of greater than 12 months	154.88	225.99	
Total	206.72	417.67	

15 Inventories		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Finished goods	97.70	-	
Total	97.70	-	

16 Trade receivables		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Unsecured considered good	1,564.10	2,443.77	
Total	1,564.10	2,443.77	

16.1 Trade Receivables ageing schedule as at 31 March 2024		(₹ in '000)				
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	1,220.95	97.66	134.59	110.89		1,564.10
Undisputed Trade Receivables-considered doubtful						-
Disputed Trade Receivables considered good						-
Disputed Trade Receivables considered doubtful						-
Sub total						1,564.10
Undue - considered good						
Total						1,564.10



Veracity Powertronics Private limited
(CIN: U74140GJ2013PTC073203)
Notes forming part of the Financial Statements

16.2 Trade Receivables ageing schedule as at 31 March 2023 (₹ in '000)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables- considered good	2,204.25	60.05	179.48			2,443.77
Undisputed Trade Receivables- considered doubtful						-
Disputed Trade Receivables considered good						-
Disputed Trade Receivables considered doubtful						-
Sub total						2,443.77
Undue - considered good						
Total						2,443.77

1. Balance of trade receivable are subject to confirmation.

2. Ageing schedule of Trade Receivables is provided by the management and believed to be accurate and reliable.

17 Cash and cash equivalents (₹ in '000)

Particulars	31 March 2024	31 March 2023
Balances with banks in current accounts	2,632.19	1,897.01
Cash and cash equivalents - total	2,632.19	1,897.01
Other Bank Balances		
Deposits with original maturity for more than 3 months but less than 12 months	-	220.97
Total	2,632.19	2,117.98

18 Short term loans and advances (₹ in '000)

Particulars	31 March 2024	31 March 2023
Loans and advances to related parties	-	7,407.62
Advances to suppliers	60,986.16	-
Balances with Government Authorities	2,760.84	428.64
Others		
-Prepaid Expense	466.41	-
Total	64,213.41	7,836.26

Short term loans and advances Includes (₹ in '000)

Particulars	31 March 2024	31 March 2023
Loans and Advances provided to Related Parties	-	7,407.62
Total	-	7,407.62

The above loans and advances provided to related concern i.e. Sahaj Solar Limited is in nature or course of furtherance of business for trade contract for the supply of Solar Water Pumping System.



Veracity Powertronics Private limited
(CIN: U74140GJ2013PTC073203)
Notes forming part of the Financial Statements

19 Other current assets		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Interest accrued	31.78	40.92	
Tender Deposit	220.41	-	
Unbilled Revenue from Customers	231.89	-	
Total	484.08	40.92	

Unbilled revenue is recorded for Annual Maintenance Contract services that have commenced their service period, yet invoices for the corresponding period have not been generated during the audit period.

20 Revenue from operations		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Sale of products	1,13,406.48	51,604.37	
Sale of services	3,879.19	5,411.29	
Others			
-Deferred Revenue from Customers	-172.76	-	
-Unbilled Revenue from Customers	231.89	-	
Total	1,17,344.80	57,015.66	

20.1 Revenue from major Products		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Solar Water Pump set 7.5HP Submercible	70,218.48	-	
PMSM Pump Drive 4G 7.5HP	15,750.00	-	
Solar Photovoltaic DCR Module – 340 WP,72 Cell-KSM	-	29,240.00	
Solar Panel 335 Watt	-	14,522.25	
Total	85,968.48	43,762.25	

Revenue from Operations includes two elements which necessitate the disclosure:

a)Unbilled Revenue amounted to Rs.231,888 includes the amount for which services are provided but the bills are not yet issued for the same.

b)Deferred Revenue amounted to Rs.172,757 includes the amount for which services are provided beyond the financial year and invoice is already issued for the same and so such revenue is deferred and reversed in the respective financial year.

21 Other Income		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Interest Income	2,197.70	1,540.93	
Other non-operating income (net of expenses)	10.66	33.89	
Total	2,208.36	1,574.82	

22 Purchases of stock in trade		(₹ in '000)	
Particulars	31 March 2024	31 March 2023	
Purchase of Goods	97,446.35	5,239.88	
Total	97,446.35	5,239.88	

22.1 Purchase of major Products		(₹ in '000)	
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Particulars	31 March 2024	31 March 2023
7.5HP DC Submercible	38,060.00	-
PMSM Drive 4G 7.5HP	38,709.03	-
PMSM Drive 4G 2HP	8,937.56	-
HDG Structure	-	4,590.00
Total	85,706.58	4,590.00

23 Change in Inventories of work in progress and finished goods (₹ in '000)

Particulars	31 March 2024	31 March 2023
Opening Inventories		
Finished Goods	-	45,283.80
Less: Closing Inventories		
Finished Goods	97.70	-
Total	-97.70	45,283.80

24 Employee benefit expenses (₹ in '000)

Particulars	31 March 2024	31 March 2023
Salaries and wages	222.60	600.00
Contribution to provident and other funds	22.20	22.43
Staff welfare expenses	-	1,200.00
Director Remuneration	150.00	-
Gratuity Expense	-68.74	75.98
Leave Encashment Expense	1.71	-
Total	327.77	1,898.41

Defined Contribution Plan (₹ in '000)

Particulars	31 March 2024	31 March 2023
Employers Contribution to Provident Fund	22.20	22.43

Defined Benefit Plan

Changes in the present value of the defined benefit obligation (₹ in '000)

Particulars	31 March 2024	March 2023	31 March 2024	31 March 2023
Defined Benefit Obligation at beginning of the year	7.25	75.98	1.71	-
Defined Benefit Obligation at year end	7.25	75.98	1.71	-
Fair value of plan assets as at the end of the year	-	-	-	-

Reconciliation of present value of defined benefit obligation and fair value of assets (₹ in '000)

Particulars	31 March 2024		March 2023	
	Gratuity	Leave Encashment	31 March 2024	31 March 2023
Amount classified as:				
Short term provision	0.01	3.41	0.14	-
Total continued			0.14	-



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Reconciliation of present value of defined benefit obligation and fair value of assets				(₹ in '000)	
Particulars	31 March 2024		31 March 2023		
Total continued from previous page			0.14	-	
Long term provision	7.24	72.58	1.57		

Expenses recognized in Profit and Loss Account				(₹ in '000)	
Particulars	31 March 2024		March 2023		
	Gratuity	Leave Encashment	31 March 2024	31 March 2023	
Current service cost	7.25				
Total expense recognised in Profit and Loss	7.25	-	-	-	

Actuarial assumptions					
Particulars	31 March 2024		March 2023		
	Gratuity	Leave Encashment	31 March 2024	31 March 2023	
Discount Rate	7.47%	7.50%	7.21%		
Expected Rate of increase in Compensation Level	8.00%	8.00%	8.00%		
Mortality Rate	Indian Assured	Indian	Indian Assured Lives		
Retirement Rate	4.50%	4.50%	4.50%		
Average Attained Age	60	60	60		

General Description of the Plan

The Entity operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Entity's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

25 Finance costs				(₹ in '000)	
Particulars	31 March 2024		31 March 2023		
Interest expense		1,887.91		574.47	
Interest on Income Tax		35.28		-	
Other Financial Expense		654.83		24.27	
Total		2,578.02		598.74	

26 Depreciation and amortization expenses				(₹ in '000)	
Particulars	31 March 2024		31 March 2023		
Amortization of intangible assets		11.60		-	
Depreciation on property, plant and equipment		-		50.66	
Total		11.60		50.66	



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27 Other expenses

(₹ in '000)

Particulars	31 March 2024	31 March 2023
Auditors' Remuneration	60.00	58.00
Administrative expenses	6.00	6.00
Bad debts	-	101.97
Commission	2,630.50	3.84
Direct expenses	2,574.10	1,577.85
Freight Inward	464.42	-
Insurance	3.67	-
Professional fees	271.29	229.25
Rent	540.00	517.50
Rates and taxes	4.32	12.20
Other Business Administrative Expenses	168.73	146.47
Software Expense	7.08	5.00
Statutory Expense	39.59	43.71
Total	6,769.70	2,701.79

28 Extraordinary Item

(₹ in '000)

Particulars	31 March 2024	31 March 2023
Total	-	-

29 Tax Expenses

(₹ in '000)

Particulars	31 March 2024	31 March 2023
Current Tax	3,185.50	709.99
Deferred Tax	78.31	193.01
Total	3,263.81	903.00



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30 Earning per share

Particulars	31 March 2024	31 March 2023
Profit attributable to equity shareholders (₹ in '000)	9,253.61	1,914.20
Weighted average number of Equity Shares	10,000	10,000
Earnings per share basic (Rs)	925.36	191.42
Earnings per share diluted (Rs)	925.36	191.42
Face value per equity share (Rs)	10	10

31 Auditors' Remuneration

(₹ in '000)

Particulars	31 March 2024	31 March 2023
Payments to auditor as		
- Statutory Audit	60.00	58.00
Total	60.00	58.00

32 Related Party Disclosure

(i) List of Related Parties

Relationship

Sahaj Solar Limited	Holding Company
Veracity Broking Services Private Limited	Common management
Veracity Financial Services Private Limited	Common management
Pramit Brahmhatt	Director
Manan Brahmhatt	Director

(ii) Related Party Transactions

(₹ in '000)

Particulars	Relationship	31 March 2024	31 March 2023
Sale of Services			
- Sahaj Solar Limited	Holding Company	500.00	11,180.77
Interest on Unsecured Loans			
- Veracity Broking Services Private Limited	Common management	284.25	574.47
Sales			
- Veracity Financial Services Private Limited	Common management	200.00	1,200.00
Loans & Advance Given			
- Sahaj Solar Limited	Holding Company	48,700.00	36,939.40
Purchase			
- Sahaj Solar Limited	Holding Company	-	4,631.31
Loan Received			
- Veracity Broking Services Private Limited	Common management	-	7,500.00
Loan Repaid			
- Veracity Broking Services Private Limited	Common management	-	5,000.00
Interest Received			
- Sahaj Solar Limited	Holding Company	1,294.07	1,512.11
Repayment of Loans & Advances Provided Earlier			
- Sahaj Solar Limited	Holding Company	7,407.62	40,355.00
Rent Payment			
- Pramit Brahmhatt	Director	360.00	310.50
- Manan Brahmhatt	Director	180.00	172.50

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Related Party Transactions		(₹ in '000)	
Particulars	Relationship	31 March 2024	31 March 2023
Continued from previous page			
Payment for Reimbursement of Expense			
- Pramit Brahmhatt	Director	1,044.71	-
- Manan Brahmhatt	Director	2.28	1,029.36
Payment for Deposit of Rent			
- Pramit Brahmhatt	Director	51.84	-
- Manan Brahmhatt	Director	51.84	-
Salary Expense			
- Pramit Brahmhatt	Director	150.00	600.00

(iii) Related Party Balances		(₹ in '000)	
Particulars	Relationship	31 March 2024	31 March 2023
Trade Payables			
- Sahaj Solar Limited	Holding Company	-	46.69
- Pramit Brahmhatt	Director	978.90	1,041.71
- Manan Brahmhatt	Director	-	-
Loans (Liability)			
- Veracity Broking Services Private Limited	Common management	3,272.85	3,017.03
Trade Receivable			
- Veracity Financial Services Private Limited	Common management	-	1,296.00
Loans & Advances			
- Sahaj Solar Limited	Holding Company	49,864.66	7,407.62

The advances provided to Holding company is in the course of furtherance of business and for conducting business activities.

33 Loans and Advances given to Related Parties		(₹ in '000)			
Type of Borrower	31 March 2024		31 March 2023		
	Amount outstanding	% of Total	Amount outstanding	% of Total	
Related Parties	49,864.66	100.00%	7,407.62	100.00%	
Total	49,864.66	100.00%	7,407.62	100.00%	

The above amount denotes the advance provided to related concern i.e. Sahaj Solar Limited for conduct of business activities.

34 Security of Current Assets Against Borrowings

The cash credit facility sanctioned by the HDFC Bank is secured against Inventory and Book Debts.

Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Books of Ac (₹ in '000)

Particulars	April-2023	May-2023	June-2023	July-2023
Current Assets as per Quarterly Return filed with Bank	-	7,463.69	13,280.47	14,752.14
Less:				
Valuation Difference	-	7,050.68	12,593.30	10,728.27
Current Assets as per Books of Account	-	413.02	687.17	4,023.87



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Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Books of Ac (₹ in '000)				
Particulars	August-2023	September-2023	October-2023	November-2023
Current Assets as per Quarterly Return filed with Bank	33,420.06	37,227.53	37,440.63	37,058.42
Less:				
Valuation Difference	29,402.56	30,593.83	31,395.67	32,576.26
Current Assets as per Books of Account	4,017.50	6,633.70	6,044.96	4,482.16

Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Books of Ac (₹ in '000)				
Particulars	December-2023	January-2023	February-2023	March-2023
Current Assets as per Quarterly Return filed with Bank	31,637.39	77,072.82	34,068.53	6,678.21
Less:				
Valuation Difference	25,661.34	16,499.01	-81,010.60	-
Current Assets as per Books of Account	5,976.05	60,573.80	1,15,079.13	6,678.21

The major reason for variance in stock statement with books data is advance to supplier is considered as Debtors . The other reason is clerical error while submitting the stock statement to bank

35 Registration of Charge

The cash credit facility sanctioned by the HDFC Bank amounted to Rs.2,50,00,000 for the purpose of Working Capital is charged against the Stock-In-Trade and Book Debts of the company.



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Notes forming part of the Financial Statements

36 Ratio Analysis

Particulars	Numerator/Denominator	31 March 2024	31 March 2023	Change in %
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.35	2.98	-54.62%
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Shareholder's Equity}}$	1.66	0.52	221.46%
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Debt Service}}$	44.25	0.68	6377.59%
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	88.46%	32.81%	169.60%
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	2,402.18	2.52	95294.52%
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	58.56	32.49	80.23%
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	28.53	0.20	14528.05%
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	6.51	6.90	-5.53%
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	7.89%	3.36%	134.88%
(j) Return on Capital employed	$\frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$	37.57%	38.59%	-2.64%
(k) Return on investment	$\frac{\text{Return on Investment}}{\text{Total Investment}}$	0.00%	0.00%	

- The decline in the current ratio can be linked to the rise in trade payables and the utilization of a cash credit facility from HDFC bank.
- The notable rise in the debt equity ratio from last year is a result of accessing a cash credit facility from HDFC Bank to fulfill working capital needs, under the charge of inventory and book debts.
- The rise in the debt service coverage ratio stems from a substantial increase in both the company's debt and its net profits.
- The rise in the return on equity ratio is evident from the company experiencing a more significant increase in profits compared to proportionate growth in shareholders' equity.
- The substantial increase in the inventory turnover ratio can be attributed to a significant rise in operational revenue compared to the previous year, coupled with a notable decrease in the average inventory levels maintained throughout the year.
- The escalation in the debtor turnover ratio is a result of the company experiencing higher revenue compared to the previous financial year.
- The rise in the trade payable ratio is caused by an increase in the amount of purchases made by the company during the year, as well as payments made to creditors.
- The decline in the net capital turnover ratio can be attributed to the company experiencing a larger increase in its working capital level compared to the proportionate increase in its turnover.
- The increase in the net profit ratio can be attributed to the growth in the company's net profits.
- The decline in return on capital employed ratio is a result of a notable increase in the amount of capital employed within the company during the year.



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37 Regrouping

Previous year figure have been regrouped /reclassified wherever necessary to correspond with current year's classification disclosure.

38 Opening Balance

The predecessor auditor audited the financial statements for the preceding period. The opening balances are derived from the closing balances of the prior period, encompassing the impacts of transactions and events from earlier periods, as well as the application of accounting policies used in the preceding period.

As per our report of even date

For Mistry & Shah LLP

Chartered Accountants

Firm's Registration No. W100683



CA Krunal Shah

Partner

Membership No. 144596

UDIN: 24144596BKFRIO8246

Place: Ahmedabad

Date: 16 April 2024

For and on behalf of the Board of

Veracity Powertronics Private Limited

Manan Brahmbhatt

Director

DIN:02346616

Place: Ahmedabad

Date: 16 April 2024

A handwritten signature in black ink, appearing to read "Manan".

Pramit Brahmbhatt

Director

DIN:02400764

A handwritten signature in black ink, appearing to read "Pramit".

