

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

ANNEXURE (B) REFERRED TO IN PARAGRAPH 1 OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF XYLEM LEARNING PRIVATE LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2023.

In terms of Companies (Auditor's Report) Order 2020, issued by the Central Government of India, in terms of section 143(11) of The Companies Act, 2013, We further report, on the matters specified in paragraph 3 and 4 of the said Order, that: -

- 1) (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
(b) The company is maintaining proper records showing full particulars of intangible assets.
- (ii) The Property, Plant & Equipment have been physically verified by the management at reasonable intervals.
- (iii) The company does not hold any immovable property other than in the name of the company.

Description of Property	Gross Carrying Value	Held in Name of	Whether Promoter Director or their relative or employee	Period held indicate range where appropriate	Reason for not being held in name of company,
NA	NA	NA	NA	NA	NA

- (iv) The company has not revalued its Property, Plant & Equipment, or Intangible assets or both during the year.
 - (v) No proceedings have been initiated against the company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made thereunder and the details have been appropriately disclosed in the financial statements.
- 2) (i) Physical verification of inventory has been conducted at reasonable intervals by management. In our opinion, the coverage and procedure by the management is

appropriate. The aggregate of discrepancies of 10% or more in each class of inventory noticed have been properly dealt with in the books of account.

(ii) The company does not have any loans or borrowings from banks / financial institutions; hence company is not required file returns/ statements.

3) (i) The company has not made any investments in a LLP.

- a) The aggregate amount, balance outstanding to LLP is Nil
- b) Terms and conditions are prejudicial to the interests of the company
- c) The amount invested is into the capital of the LLP and hence question of repayment does not arise.
- d) The amount invested is into the capital of the LLP and overdue or recovery actions are not applicable.
- e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties; If so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year. [Not applicable to companies whose principal business is to give loans];
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment; if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of The Companies Act, 2013.

4) The company has not given any loans or guarantees/made any investments within the meaning of sections 185 & 186 of The Companies Act, 2013.

5) The company has not accepted any deposits from the public in terms of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013.

6) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the products manufactured by the company.

7) (i) The company is regular in depositing undisputed statutory dues with appropriate authorities.

(ii) According to records of the company, there are no statutory dues which have not been deposited on account of any dispute.

8) There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;

9) (i) The company does not have any loan from financial institution or bank or debenture holders.

Nature of borrowing including debt securities	Name of Lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
NA	NA	NA	NA	NA	NA

(ii) The company has not been declared as a willful defaulter by any bank or financial institution or other lender.

(iii) The term loans have been utilized for the purposes for which they were obtained.

(iv) The funds raised on a short-term basis have not been utilized for long term purposes.

(v) 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.

(vi) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10) (i) The company has not made any initial public offer during the year.

(ii) The company has not made any preferential allotment or private placement of shares/debentures during the year.

11. (i) Based upon the audit procedures performed and information and explanations given to us by the management, we report that no fraud by the company or on the company by its officers/employees has not been noticed or reported during the course of our audit.

(ii) Any report under sub-Section (12) of Section 143 of the Companies Act has not been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

- (iii) As per the information and an explanation provided to us, there has not been any whistle-blower complaints received during the year by the Company.
- 12) The transactions entered into with related parties are in compliance with section 177 & 188 of The Companies Act 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- 13) (i) The company does not have any internal audit; however, company has implemented internal control system commensurate with the size and nature of its business.
- 14) The company has not entered into any non-cash transactions with directors or persons connected with directors, during the year.
- 15) (i) The company is not required to be registered under section 45-IA of The Reserve Bank of India Act, 1934.
- (ii) 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.
- (iii) Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India?
- 16) The company has not incurred any cash losses during the Financial Year.
- 17) There has not been any resignation of the statutory auditors during the year.
- 18) On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- 19) (i) In respect of other than ongoing projects, the company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- (ii) In respect of other than ongoing projects, the company has/ has not transferred any amount remaining unspent under section (5) of section 135 of Companies Act to special account in compliance with provision of sub section (6) of section 135 of the said Act

20) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

21) The company is not a Nidhi Company.

For AAKK & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg No: 013928S



KRISHNA KUMAR UNNI C, FCA
PARTNER
MM NO: 210839
UDIN: 23210839BGUCQT8012

PLACE: CALICUT
DATE: 01/11/2023



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

In conjunction with our audit of the financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of XYLEM LEARNING PRIVATE LIMITED (here in after referred to as "The Company").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company's are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (ICAI)". 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial control over financial reporting, 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 consolidated 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction 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.

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

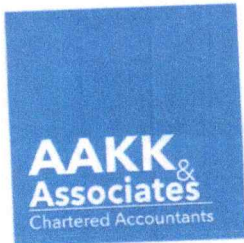
For AAKK & ASSOCIATES
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KRISHNA KUMAR UNNI C FCA
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MM NO: 210839
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PLACE: CALICUT
DATE: 01/11/2023





Third Floor, S.G. Arcade,
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Kozhikode, Kerala - 673016



INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF XYLEM LEARNING PRIVATE LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **XYLEM LEARNING PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as on 31st March 2023, and the Statement of Profit and Loss and the Statement of Cash flow for the year ended and summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as on March 31, 2023, 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 Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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. This responsibility also includes maintenance of adequate accounting records in accordance with



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the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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.

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 issued by the Central Government in terms of Sub-Section 11 of Section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Account) Rules, 2014.
 - (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) The reporting requirement with respect to adequacy of the internal financial controls over financial reporting of the company and 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 over financial reporting; and,

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations 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 which were required to be transferred to the Investor Education and Protection Fund by the Company.

For AAKK & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg No: 013928S



KRISHNA KUMAR UNNI C, FCA
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MM NO: 210839
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PLACE: CALICUT
DATE: 01/11/2023



XYLEM LEARNING PRIVATE LIMITED

Significant accounting policies and notes to the financial statements for the year ended March 31, 2023

1. Company overview

Xylem Learning Private Limited ('Xylem' or 'the Company') is a private limited company incorporated on 4th December 2022. It is classified as Non-govt Company and is registered at Registrar of Companies, Ernakulam. Its authorized share capital is Rs. 10,00,000 and its paid-up capital is Rs. 6,00,000. It is involved in the business of rendering consultancy, advisory and all related support services in all areas of digital technologies and information technology including consumer hardware, web marketing and advertising, website design and development, web programming, e commerce, animation, HTML, web content, web hosting, search engine optimization, application development, software development, ERP suite development, database management services, bulk SMS, bulk email services, voice solutions, natural language processing.

2. Significant Accounting policies

Basis of preparation and presentation

The financial statements have been prepared and presented on accrual basis under historical cost convention and in compliance, in all material aspects, with the generally accepted accounting principles in India including the applicable Accounting Standards prescribed under the relevant provisions of the Companies Act, 2013.

Use of estimates and judgment

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income, expenses and the disclosure of contingent liabilities at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the period in which the estimates are revised and in any future period affected.

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

Cash Flow

Cash equivalents are held by the company for meeting its short-term cash commitments instead of the purpose of investment or such other purposes. For investments to qualify as cash equivalents.

1. An investment must be easily convertible into cash, and
2. Must be subject to a very low level of risk with respect to changes in its value.

Hence, an investment would qualify to be a cash equivalent only when such an investment has a short maturity of three months or less from its acquisition date.

Cash Flow statement has two methods direct and indirect. The company prepared cash flow using indirect method. Cash and cash equivalents include the following:

- Cash in hand
- Cash at bank
- Cash held at branch

Reconciliation of the amount of cash flow statement with the amount reported in balance sheet.

Revenue Recognition

Revenue is primarily derived from educational services. The company presents revenue net of indirect taxes in its standalone statement of profit and loss.

Revenue from rendering of services is recognized over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Tuition fees from online and offline coaching

Revenue is being recognized over the duration of the course

- proportionate completion method (revenue is recognized proportionately based on the performance of each of the acts).
- Service needs to be performed over a specific period of time. Hence, revenue is recognized on a straight-line basis over the specific period. Upfront fees are recognized over the estimated period that the related services are performed.

Property, plant and equipment

Fixed Assets have been stated at acquisition/construction cost less accumulated depreciation and impairment loss, if any. Costs include expenditure directly attributable to the acquisition of the assets.

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price/acquisition cost (net of GST input tax credit, as available), net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of Property, plant and equipment and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on property, plant and equipment after its purchase/completions capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

The estimated useful life of the tangible assets and the useful life are reviewed at the end of each financial year and the depreciation period is revised to reflect the changed pattern, if any.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

Depreciation

Depreciation on fixed assets has been provided on the Written down Value Method, at the rates and in the manner specified in Schedule II to the Companies Act, 2013. In case of newly acquired assets, depreciation is charged from the date of acquisition on a pro-rata basis.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is Probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Useful life of assets are given below,

Plant and Machinery	: 15 Years
Computer and Accessories	: 3 Years
Intangible Assets	: 10 Years
Interior & Furnishing	: 10 Years
Electrical & Fittings	: 10 Years

Foreign Exchange Transaction

During the year there were no foreign exchange transactions. Hence, no Profit/loss on account of foreign exchange rate fluctuation has been recognized in the financial statements.

Employee Benefits

Short-term employee benefits: All short-term employee benefits such as salaries, wages, bonus, special awards and medical benefits which fall within 12 months of the period in which the employee renders a related service which entitles them to avail such benefits.

Compensated absences: The employees of the Company are entitled to compensate absences. The employees can receive cash for compensated absences in quarterly basis.

Employee benefits expenses are recognized in the statement of Profit and Loss in the year in which it is incurred

Borrowing Cost

Interest on term loans specifically availed for acquisitions of Qualifying assets for the period up to which they are ready for use are capitalized. In all other cases, they are treated as revenue in nature in the year in which they are incurred.

Segment Reporting

The Company has considered business segment as the primary segment for disclosure. The company is primarily engaged in wholesale of gold ornaments. Segment assets and liabilities include all operating assets and liabilities. Segment results include all related income and expenditure.

Related Party

Related parties are relationships in which one party has the ability to control or significantly influence the economic and operating decisions of another. Transactions with related parties are a common feature of business.

Key Managerial Personnel	
1) Mr. Sasikumar Ananthu	Managing Director
2) Mr. Shavad Kodambattil	Director
3) Mr. Valiya Parambil Lijeesh Kumar	Director
4) Mr. Valiya Parambil Praveen	Director
5) Mr. Vineesh Kumar	Director

Psc Exam Today	Investment
Xylem Proprietorship	Investment

Transaction with Related Party

Balance of Unsecured Loan Received	Amount (in Rs.)
1) Valiya Parambil Lijeesh Kumar	26,50,000
2) Valiya Parambil Praveen	21,50,000
3) Shavad Kodambattil	40,20,956
4) Vineesh Kumar	2,94,16,600
Total	3,82,37,556

Taxation

Income tax expense is the sum of current tax and deferred tax.

- a) Current tax: The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred tax: Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized on temporary differences between the carrying amounts of assets and liabilities in the financial Statements and the corresponding tax bases used in the computation of taxable profit.

Intangible Asset

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective estimated useful lives on a written down value method, from the date that they are available for use. The estimated useful life of an identifiable intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Impairment of tangible and intangible assets

An asset is said to be impaired when its carrying amount is greater than its recoverable amount or fair value. Impairment losses will be recognized whenever the asset's carrying amount is not recoverable.

The Company assessed its Assets as on Balance Sheet date and no indication of asset being impaired was noticed.

Provisions, Contingent Liabilities and Contingent Asset

The company creates a provision when there is present obligation as a result of past event that probably requires an out flow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation ora present obligation that may or may not require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.