



INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF

SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

Report on the Audit of Financial Statements

Opinion:

We have audited the financial statements **SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at 31 March 2023, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a 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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and its cash flows for the year ended on that date.

Basis of Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters:

Key audit matters ('KAM') 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.



NSVR & ASSOCIATES LLP

Information Other than the Financial Statements and Auditor's Report Thereon:

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' report thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 referred to in Section 133 of Companies Act 2013, 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We are 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable users 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.

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 department of company affairs, in terms of section 143 (11) of the companies Act, 2013, and on the basis of our examination of the books and records as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Companies Act 2013, 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 purpose of our audit.

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

c) The Balance Sheet and Statement of Profit and Loss and Cash flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financials comply with the Accounting Standards specified under of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; 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) There are no pending litigations for or against the Company which would impact its financial position.

ii) The Company does not have any derivatives contracts. Further there are no long-term contracts for which provisions for any material foreseeable losses is required to be made.

iii) There are no amounts pending that are required to be transferred to Investor Education and Protection Fund.

For NSVR & ASSOCIATES LLP.,

Chartered Accountants
(FRN No.008801S/S200060)


R Srinivasu

Partner

M.no:224033

UDIN: 23224033BGPMVX3245

Date:30.05.2023

Place: Hyderabad.



ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Square Peg Distribution Services Private Limited of even date)

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”)

We have audited the internal financial controls over financial reporting of **SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED** (“the Company”) as of March 31, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 controls 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 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 statement for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide Reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion:

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

For NSVR & ASSOCIATES LLP.,
Chartered Accountants
(FRN No. 008801 S/ S200060)

R Srinivasu

Partner

M.No: 224033

UDIN: 23224033BGPMVX3245



Date: 30.05.2023

Place: Hyderabad.

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that

- i. (a) In respect of the Company's Property, Plant and Equipment:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment as at March 31,2023.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company does not own any intangible assets, therefore clause i(a)(B) is not applicable.
 - (c) The company have Property, Plant and Equipment as at March 31,2023 have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification .
 - (d) The company does not have any immovable Property. Accordingly, clause 3(i)(d) of the order is not applicable.
 - (e) The company has not revalued its Property, Plant and Equipment during the year and hence this sub-clause 3(i)(e) of the order is not applicable.
 - (f) According to the information and explanation given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or pending against the company for holding any benami property under the Prohibition of Benami Property transactions Act,1988 and rules made thereunder.
- ii. (a) The company does not have any inventory and hence reporting under clause 3(ii)(a) is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable
- iii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, During the year the company has not given any advances in the nature of loan , provided any guarantee or given any security to its subsidiaries, Joint ventures , other companies, firms , Limited Liability Partnerships or any other parties.
- (b) The company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the order is not applicable to the company to that extent.
- (c) The company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships



or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the order is not applicable to the company to that extent.

- (d) In the absence of any loans or advances in the nature of loans outstanding as at the year end, the question of whether there are amounts overdue for more than ninety days as the balance sheet date and reasonable steps have been taken by the company for recovery of the principal and interest does not arise and accordingly this sub clause 3(iii)(d) is not applicable.
- (e) In the absence of any loans or advances in the nature of loans fallen due during the year and hence the question of whether the loan has been renewed or extended or fresh loans are granted to settle the overdue of existing loan given to the same parties does not arise and accordingly this sub clause is not applicable.
- (f) In the absence of any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment and hence the questions of 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 does not arise and accordingly, this sub clause 3(iii)(f) is not applicable.
- iv. There are no loans, investments, guarantees, and security in respect of which provisions of section 185 and 186 of the companies act,2013 are applicable and accordingly the requirement to report on clause 3(iv) of the order is not applicable to the company.
- v. According to the information and explanation given to us the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. According to the information and explanation given to us, the central government has not prescribed the Maintenance of cost records under subsection (1) of section 148 of the companies act,2013 for the services provided by the company. Accordingly, clause 3(v) of the order is not applicable.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Professional tax Income Tax,Cess and other material statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Professional tax, Income Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) There are no disputed dues Pending as on March 31,2023.
- viii. According to the information and explanation given to us on the basis of our examination of the records of the company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



- ix. (a) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanation given to us, the terms loans have been applied for the purpose for which they have been obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the company has not use any short-term funds raised for long term purposes during the year.
- (e) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligations.
- (f) The Company does not have any subsidiary, associate, or Joint venture. Accordingly, the requirement to report on clause (ix)(f) of the order is not applicable to the company.
- x. (a) The Company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) No whistle blower complaints received by the Company during the year (and up to the date of this report).
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us, the internal audit system is not applicable to the company. Hence reporting of clause 3(xiv) is not applicable for reporting.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.



xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred any cash losses during the financial year covered by our audit in the FY 22-23.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are 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;

xx. In our opinion and according to the information and explanation given to us, there is no unspent amount under sub-section (5) of section 135 of the act. Accordingly, clause 3(xx) (a) and (b) of the order is not applicable.

For NSVR & ASSOCIATES LLP.,
Chartered Accountants
(FRN No. 008801S/S200060)



R Srinivasu
Partner
M.no:224033
UDIN. No: 23224033BGPMVX3245

Date: 30.05.2023.

Place: Hyderabad.

PART I – Form of BALANCE SHEET
M/s SQUAREPEG DISTRIBUTION SERVICES PRIVATE LIMITED
CIN:U15122AP2014PTC092550
Balance Sheet as at 31.03.2023

All amounts are in Lakhs unless otherwise Specified

	Refer Note No.	As at 31.03.2023	As at 31.03.2022
Particulars	2	3	4
I	2	3	4
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	26.70	26.70
(b) Reserves and surplus	2	35.97	20.92
		62.67	47.62
2 Non-current liabilities			
(a) Long-term borrowings	3	19.45	13.29
(b) Deferred tax Liabilities (net)		0.21	0.20
		19.66	13.49
3 Current liabilities			
(a) Short-term borrowings	4	-	9.00
(b) Trade payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises	5	-	-
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	5	31.67	9.10
(c) Other current liabilities	6	2.15	30.85
(d) Short-term provisions	7	2.07	5.97
		35.89	54.91
TOTAL		118.22	116.01
II. ASSETS			
Non-current assets			
1 (a) Property, plant & equipment	18	2.43	3.78
(b) Deferred tax assets (net)		-	-
(c) Long-term loans and advances		-	-
		2.43	3.78
2 Current assets			
(a) Inventories			
(b) Trade receivables	8	73.99	81.63
(c) Cash and cash equivalents	9	0.05	0.87
(d) Short-term loans and advances	10	40.49	20.84
(e) Other current assets	11	1.26	8.88
		115.79	112.23
TOTAL		118.22	116.01
Significant accounting Policies	19		

The Notes referred to above form an integral part of Balance Sheet (1-31)

As per our report of even date

M/s. NSVR & Associates LLP.,

Chartered Accountants

FRN:008801S/3200060

R. Srinivasu

(Partner)

M.No:224033

UDIN: 23224033BGPMVX3245

For and on behalf of Board of Directors

M/s. SQUAREPEG DISTRIBUTION SERVICES PRIVATE LIMITED

Sri Nagaveer Adusumilli

Director

DIN : 02096695

Vasavi Adusumilli

Director

DIN : 02589803

Place:Hyderabad

Date: 30.05.2023

PART II - Form of STATEMENT OF PROFIT AND LOSS
M/s SQUAREPEG DISTRIBUTION SERVICES PRIVATE LIMITED
CIN:U15122AP2014PTC092550

Profit and loss statement for the year ended 31.03.2023

All amounts are in Lakhs unless Otherwise specified

Particulars	Refer Note No.	For the year ended 31.03.2023	For the year ended 31.03.2022
I. Revenue from operations	12	18.34	28.46
II. Other income	13	15.14	6.15
III. Total Revenue (I + II)		33.48	34.61
IV. Expenses:			
Direct Expenses	14	10.11	16.47
Employee Cost	15	0.82	2.33
Depreciation	18	1.36	2.18
Finance Cost	17	2.75	5.18
Other Expenses	16	1.32	3.24
Total expenses		16.35	29.41
V. Profit before exceptional and extraordinary items and tax (III-IV)		17.14	5.20
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		17.14	5.20
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		17.14	5.20
X Tax expense:			
(1) Income Tax		2.07	-
(2) Deferred tax		0.01	0.94
XI Profit (Loss) for the period from continuing operations (VII-VIII)		15.05	4.26
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		15.05	4.26
XV Profit (Loss) for the period (XI + XIV)		15.05	4.26
XVI Earnings per equity share:			
(1) Basic		5.64	1.60
(2) Diluted		5.64	1.60
Significant accounting policies	19		

The Notes referred to above form an integral part of Balance Sheet (1-31)
As per our report of even date

M/s. NSVR & Associates LLP.

Chartered Accountants

FRN:008801S290060

R. Srinivasu

(Partner)

M.No:224033

UDIN: 23224033BGPMVX3245

Place:Hyderabad

Date: 30.05.2023

For and on behalf of Board of Directors
M/s. SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

Sri Nagaveer Adusumilli
Director
DIN : 02096625

Vasavi Adusumilli
Director
DIN : 02589803



PART III - Cash Flow statement
M/s SQUAREPEG DISTRIBUTION SERVICES PRIVATE LIMITED
CIN:U15122AP2014PTC092550

Cash flow statement for the period ended 31.03.2023

All amounts are in Lakhs unless Specified

Particulars	For the Period ended 31.03.2023	For the Period ended 31.03.2022
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit before taxation, and extraordinary items	17.14	5.20
Adjusted for :		
Interest debited to P&L A/c	2.75	5.18
Depreciation	1.36	2.18
Profit on sale of vehicles	-	-5.10
Operating profits before working capital changes	21.24	7.46
Changes in current assets and liabilities		
Increase/ (Decrease) in Inventories	-	-
Increase/ (Decrease) Sundry debtors	7.64	19.80
Increase/ (Decrease) Other current assets	1.26	-8.13
Increase/(Decrease) Current liabilities	-19.01	-64.69
Cash generated from operations	11.13	-45.56
Income tax paid	4.29	-
Net cash generated/(Utilised) from operating activities	15.42	-45.56
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-	-
Sale Of Fixed Assets	-	15.00
Net cash generated/(Utilised) in investing activities	-	15.00
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Secured and Unsecured Loans	6.16	-11.62
Interest paid	-2.75	-5.18
Loans and advances	-19.65	44.29
Increase in share Capital	-	-
Net cash generated/(Utilised) in financing activities	-16.24	27.49
D. Net increase / (decrease) in cash and cash equivalents	-0.82	-3.07
E. Cash and cash equivalents at the beginning of the year	0.87	3.94
F. Cash and cash equivalents at the end of the year	0.05	0.87

M/s. NSVR & Associates LLP.,

Chartered Accountants
 FRN:008801S/2000000

R.Srinivasu
 (Partner)

M.No:224033

UDIN: 23224033BGPMVX3245



For and on behalf of Board of Directors

M/s. SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

Sri Nagaveer Adusumilli
 Director
 DIN : 02096695



Vasavi Adusumilli
 Director
 DIN : 02589803



Place:Hyderabad

Date: 30.05.2023

(All amounts are in Lakhs unless Specified)

Share Capital	As at 31.03.2023		As at 31.03.2022	
	Rs		Rs	
Authorised 5,00,000 Equity Shares of `10 each		50.00		50.00
Issued 2,67,000 Equity Shares of `10 each		26.70		26.70
Subscribed & Paid up 2,67,000 Equity Shares of `10 each		26.70		26.70
Subscribed but not fully Paid up NIL Equity Shares of `NA each, not fully paid up		0.00		0.00
Total		26.70		26.70

NOTE 1 A

Particulars	As at 31.03.2023		As at 31.03.2022	
	Number	Amount(Rs)	Number	Amount(Rs)
Shares outstanding at the beginning of the year	2,67,000.00	26.70	2,67,000.00	26.70
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,67,000.00	26.70	2,67,000.00	26.70

NOTE 1 B

100% of Equity Shares are held by M/s.Tanvi Foods (India) Limited (holding Company) of the company.

NOTE 1 C

Details of shareholding (if more than 5%)

S.No	Name of Shareholder	As at 31.03.2023		As at 31.03.2022	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	M/s.TANVI FOODS (INDIA) LIMITED	2,66,995.00	100.00	2,66,995.00	100.00
2	Mr.A.Sri Nagaveer (Registered owner on behalf of the beneficial owner M/s.Tanvi Foods (India) Limited)	5.00	0.00	5.00	0.00
	Total	267000	100	267000	100



A. Sri Nagaveer

NOTE 2 Reserves and Surplus

Particulars	All amounts are in Lakhs unless Specified	
	As at 31.03.2023	As at 31.03.2022
	INR	INR
b. Surplus		
Opening balance		16.65
(+) Net Profit/(Net Loss) For the current year	20.92	
(+) Transfer from Reserves	15.05	4.26
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
(-/+) Adjustments	-	-
Closing Balance	35.97	20.92
Total	35.97	20.92

Note 3 Long-term borrowings

Particulars	As at 31.03.2023	As at 31.03.2022
	INR	INR
secured		
Vehicle Loans **		
i) From Banks	-	11.18
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	-	11.18
i) From NBFC's	-	-
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	-	-
Total Secured Loans	-	-
Business Loans		
i) From Banks		
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"		
i) From NBFC's ***	6.32	-
ii) Others	13.13	31.40
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	0.00	18.11
	19.45	13.29
Total UnSecured Loans	19.45	13.29
Total	19.45	13.29

Note 4 Short Term Borrowings

Particulars	As at 31.03.2023	As at 31.03.2022
	INR	INR
(a) Secured Loans	-	-
(b) UnSecured Loans	-	-
(c) Loans and advances from related parties	-	9.00
(d) Deposits	-	-
(e) Other loans and advances (specify nature)	-	-
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)	-	9.00
1. Period of default	-	-
2. Amount	-	-
Total	0.00	9.00

NOTE 5 Trade Payables

Particulars	As at 31.03.2023	As at 31.03.2022
	INR	INR
Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	31.67	9.10
Total	31.67	9.10

*Refer Note 30 for Ageing

NOTE 6 Other Current Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
	INR	INR
Current Maturities of Long Term Debt (Secured) (Refer Note No 3)		
(a) Vehicle Loans		
From Banks	-	11.18
From NBFC's	-	-
(b) Business Loans		
From Banks	-	-
From NBFC's	-	18.11
Duties & Taxes	-	-
Rent Payable	0.99	0.80
Expenses Payable	-	-
Audit fee Payable	1.16	0.76
Total	2.15	30.85



A. Shri Nagesh

NOTE 7 Short-term provisions		
Particulars	As at 31.03.2023	As at 31.03.2022
	INR	INR
Provision for Tax	2.07	5.97
Interest Payable	-	-
Total	2.07	5.97
Note 8 Trade Receivables		
Particulars	As at 31.03.2023	As at 31.03.2022
	INR	INR
Outstanding period not exceeds 6 Months	-	81.63
Outstanding period exceeds 6 Months	73.99	-
Total	73.99	81.63
*Refer Note 29 for Ageing		
Note 9 Cash and cash equivalents		
Particulars	As at 31.03.2023	As at 31.03.2022
	INR	INR
a. Balances with banks	0.05	0.05
b. Cash on hand	-	0.82
c. Others (specify nature)	-	-
Total	0.05	0.87
Note 10 Short-Term Loans & Advances		
Particulars	As at 31.03.2023	As at 31.03.2022
	INR	INR
Rental Advance	1.11	1.11
Others	39.39	19.73
Total	40.49	20.84
Note 11 Other Current Assets		
Particulars	As at 31.03.2023	As at 31.03.2022
	INR	INR
prepaid Cards	-	0.03
Advance Tax and TDS	1.25	7.61
Recoverable from NBFC's	-	1.24
Petro Card	-	0.00
Total	1.25	8.88



Note 12 Direct Incomes**(All amounts are in Lakhs unless Specified)**

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
	INR	INR
Income From Transport	18.34	28.46
Total	18.34	28.46

Note 13 Indirect Income

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
	INR	INR
Sub let Income	-	1.05
Loan amount Written off	15.09	-
Interest on Income Tax Refund	0.05	-
Profit on sale of vehicles	-	5.10
Total	15.14	6.15

Note 14 Direct Expenses

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
	INR	INR
Vehicle Expenses		
Petrol & Diesel	7.26	12.97
Repairs and Maintainence	2.85	3.36
Toll Fees		-
Transport Expenses		0.15
Vehicle Hire Expenses		-
Total	10.11	16.48



Note 15 Employee Cost

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
	INR	INR
Salary	0.82	2.33
Staff Welfare		-
EPF Contribution		-
ESI Contribution		-
Total	0.82	2.33

Note 16 Other Expenses

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
	INR	INR
Statutory Audit Fee	0.40	0.40
Electricity Charges		-
Water Charges		-
Loading & Unloading Charges		-
Roc Filing fees	0.20	0.15
Telephone Expenses	0.32	0.31
Rates and Taxes		0.03
Professional Charges	0.10	-
Postage & Courier Expenses		-
GST Late Payment Fee	0.02	0.50
TDS Compounding fee		0.73
Other Expenses	0.12	1.12
Bad Debts Written off	0.15	-
Rental Expenses	-	-
Total	1.32	3.24

Note 17 Finance Cost

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
	INR	INR
Bank Charges	2.75	1.45
Interest on Andhra Bank OD A/c 627		-
Interest on Business loan(NBFC)		3.73
Interest on Vehicle loan(Non NBFC)		-
Loan Processing charges		-
Total	2.75	5.18



Note 18

M/s SQUAREPEG DISTRIBUTION SERVICES PRIVATE LIMITED

(All amounts are in Lakhs unless Specified)

Particulars	Computers	Furniture & Fittings	Electrical Equipments	Plant & machinery	Office Equipments	Motor Vehicles	Total
Gross carrying amount							
Balance as at 1 April 2022	0.28	1.35	1.11	1.13	0.29	44.67	48.85
Additions for the year	-	-	-	-	-	-	-
Disposals for the year	-	-	-	-	-	-	-
Balance as at 31 March 2023	0.28	1.35	1.11	1.13	0.29	44.67	48.85
Accumulated Depreciation							
Balance as at 1 April 2022	0.27	1.14	0.90	0.81	0.28	41.67	45.06
Depreciation charge for the year	-	0.06	0.06	0.06	0.01	1.18	1.36
On Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2023	0.27	1.19	0.95	0.87	0.29	42.85	46.42
Net Carrying Value							
As at 31 March 2022	0.01	0.21	0.22	0.32	0.01	3.00	3.78
As at 31 March 2023	0.01	0.16	0.16	0.26	0.01	1.82	2.43



S. S. Narasimhan

SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED
Notes to Financial Statements for the Financial Year Ended 31.03.2023

(All amounts are in Lakhs Unless otherwise Specified)

Note:

20 Earnings per Share

Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Profit after tax (PAT)	15.05	4.26
Net Profit for calculation of Basic and Diluted EPS (A)	15.05	4.26
Weighted average number of equity shares for Basic EPS (B) Effect of dilution	2.67	2.67
Weighted average number of equity shares for Diluted EPS (C)	2.67	2.67
Basic EPS (A/B)	5.64	1.60
Diluted EPS (A/C)	5.64	1.60

21 Auditor Remuneration

Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Statutory Audit Fees	0.40	0.40
Tax Audit fees	-	-
For other services	-	-
Total *	0.40	0.40

* Excluding Taxes

22. Related Party Transaction

Names of Related Parties	Nature of Relationship
Related party firms & companies	
M/s. Tanvi Foods (India) Limited	Holding Company
M/s. Polar Cube Cold Storage Solutions Private Limited	Common Control
Key Management Personnel (KMP)	
Sri.A.Sri Nagaveer	Director
Mt.A.Vasavi	Director

(b) Transactions during the year

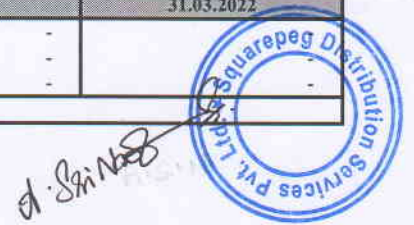
Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Remuneration		
Sri.A.Sri Nagaveer	-	-
Mt.A.Vasavi	-	-
Commission		
Sri.A.Sri Nagaveer	-	-
Mt.A.Vasavi	-	-

(c) Balance Outstanding at

Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Loan given/(from) Related Parties		
1) M/s. Tanvi Foods (India) Limited		
a.Loans accepted		
b.Loans given	1.67	30.87
2) M/s. Polar Cube Cold Storage Solutions Private Limited		
a.Loans accepted	-20.03	-20.20
b.Loans given		



23. Expenditure in Foreign Exchange		
Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
FOB value of Imports	-	-
Professional Fess	-	-
Other Expenses	-	-
Total	-	-
24. Earnings in Foreign Exchange		
Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
FOB value of Exports	-	-
Dividend Income	-	-
Total	-	-
25. Segment Reporting		
The Company concluded that there is only one operating segment i.e., TRANSPORTATION. Hence, the same becomes the reportable segment for the Company.		
26. Defined benefit Plan		
(a) General description of the type of plan.		
The scheme provides for lump sum payment to vested employees at retirement, death during employment or termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs up on completion of five years' of continuous service with the Company.		
(b) Change in Present Value of Defined Benefit Obligation (Gratuity)		
Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Interest cost	-	-
Adjustment	-	-
Current service cost	-	-
Benefits Paid	-	-
Actuarial/losses on obligation	-	-
Obligation at the end of the year	-	-
(c) Amount recognised in Profit & Loss Statement for defined benefit contribution plan (Gratuity)		
Net Gratuity Expenses	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Current service cost	-	-
Interest cost on benefit obligation	-	-
Premium Expenses	-	-
Expected Return on Assets	-	-
Net actuarial (gain)/loss recognized in the year	-	-
Net Employee benefit expense	-	-
(d) Amount recognised in Balance Sheet for defined benefit contribution plan (Gratuity)		
Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Defined Benefit Obligation	-	-
Fair value of plan assets	-	-
Net asset/Liability recognised in Balance sheet	-	-
(e) The assumptions used in accounting for the Gratuity Plan are set out as below:		
Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Discount rate	-	-
Retirement age	-	-
Future salary increase	-	-
(h) Actuarial assumptions for long term compensated absences (Leave Salary)		
Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Discount Rate	-	-
Rate of increase in compensation levels of covered employees	-	-
Retirement age	-	-



27. Income taxes

Income tax Expense/(Benefit) recognised in the Statement of Profit and Loss Account

Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Current Tax Expense	2.07	-
Deferred tax Expense	0.01	0.94
Deferred tax Expense Benefit		
Total income tax Expense/(Benefit) recognised	2.09	0.94

Reconciliation of Effective Tax Rate

Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Profit Before Income tax	17.14	5.20
Enacted tax Rate in India	0.31	0.31
Computed Expected Tax Expense/(Benefit)	5.35	1.62
Tax Effect on		
Expense Not deductible for tax Purpose	-	-
Expense deductible for tax Purpose	-	-
Others	-	-
Income tax Expense/(Benefit)	5.35	1.62
Effective tax rate	31.20%	31.20%

Deferred tax Asset/Liabilities

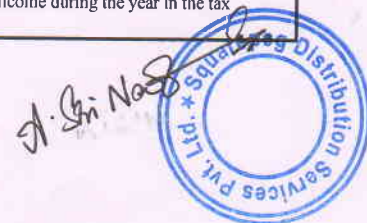
Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
Property, Plant and Equipment	-	-
Deduction in respect of certain Benefits under Income tax, 1961	-	-
Defined Benefit obligation	-	-
Others	-	-
Deferred tax Assets/Liabilities	-	-
TOTAL	0	0

1. Disclosures under the Micro, Small and Medium Enterprises Act, 2006

Particulars	For the Period Ended 31.03.2023	For the Period Ended 31.03.2022
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	NIL	NIL
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	NIL	NIL

28. Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.



(Amounts are in Lakhs unless otherwise specified)

NOTE 29 :

Trade Receivable ageing schedule:

Particulars	Trade Receivable Outstanding as on 31-03-2023					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) undisputed trade receivables-considered good	0.04	-	0.07	8.87	65.01	73.99
(ii) undisputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-
(iii) undisputed trade receivable -credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-
(vi) disputed trade receivables -credit impaired	-	-	-	-	-	-
Total	0.04	-	0.07	8.87	65.01	73.99

Particulars	Trade Receivable Outstanding as on 31-03-2022					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) undisputed trade receivables-considered good	6.76	1.60	5.64	61.15	6.48	81.63
(ii) undisputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-
(iii) undisputed trade receivable -credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-
(vi) disputed trade receivables -credit impaired	-	-	-	-	-	-
Total	6.76	1.60	5.64	61.15	6.48	81.63

NOTE 30:

Trade Payable ageing schedule:

Particulars	Trade Payable Outstanding as on 31.03.2023					Total
	Unbilled	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	30.33	1.34	31.68
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues - MSME.	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	-	-	-	30.33	1.34	31.68

Particulars	Trade Payable Outstanding as on 31.03.2022					Total
	Unbilled	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-21.06	-5.23	10.39	25.00	9.10
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	-	-21.06	-5.23	10.39	25.00	9.10



P. Sai Nagesh

**Note 31:
Ratios as per the Schedule III requirements**

Sl No	Particulars	FY 2022-23	FY 2021-22	% Change	Items Included in Numerator	Items Included in Denominator	Reasons for Change
1	Current Ratio (No of times)	3.23	2.04	57.86%	current assets	Current Liabilities	Due to Increase in Trade Payables & Short Term Loans and Advances
2	Debt Equity Ratio (No of times)	0.31	0.47	-33.71%	Total Debt	Share holders Equity	Due to increase in profit
3	Return on Equity Ratio (No of times)	0.24	0.09	168.26%	Net profit after tax	Average Shareholders's Equity	Due to increase in profit
4	Trade Receivable Turnover Ratio (No of times)	0.25	0.35	-28.91%	Credit Sales	Average trade receivables	Due to decrease in sales
5	Inventory Turnover Ratio (No of times)	-	-	0.00%	Raw material consumed	Average Inventory	-
6	Debt service coverage Ratio (No of times)	-	-	0.00%	Earnings available for debt services	Interest on borrowings + Repayment of borrowing	-
7	Trade Payable turnover Ratio (No of times)	-	-	0.00%	Cost of material consumed	Average Trade Payable	-
8	Net Capital turnover Ratio (No of times)	0.23	0.50	-53.78%	Revenue from Operations	Working capital	Due to decrease in sales
9	Net Profit Ratio %	0.82	0.15	447.87%	Net profit after tax	Revenue from Operations	-
10	Return on Capital employed	0.06	0.07	-18.08%	Earnings before interest and taxes	Capital Employed (pre cash)	-



M/s. SQUARE PEG DISTRIBUTION SERVICES PRIVATE LIMITED

a. Basis of preparation of Financial Statements:

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year end. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Revenue Recognition

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

➤ **Income from operations**

The company follows mercantile system of accounting and recognizes the income on accrual basis.

➤ **Other Income**

Non-Operating income is recognized as and when accrued.



d. Property Plant & Equipment and Depreciation

Property Plant & Equipment are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of Property Plant & Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation:

The Company depreciates property, plant and equipment over the estimated useful lives using the written down value method from the date, the assets are available for use.

Category	Useful Life
Computers and Laptops	3 Years
Office Equipment's	10 Years
Plant and Machinery	15 Years
Vehicles	6 Years

e. Foreign Currency Transactions

➤ **Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

➤ **Conversion**

Foreign currency monetary items, if any are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

➤ **Exchange Differences**

Exchange Differences arising on the settlement of monetary items or reporting monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.



f. **Income Taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred Tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

MAT Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal tax during the specified period. In the year in which the Minimum Alternate Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered accountants of India, the said asset is created by way of a credit to the net profits and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes the carrying amount of MAT Credit Entitlement to the extent that it has been utilized during the current period.

g. **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

h. **Cash & Bank balances**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

i. **Provisions**

A provision is recognized when the Company has a present obligation as a result of past event i.e., it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions 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.



j. **Defined Contribution plans.**

Provident fund is a defined contribution scheme and the contributions are charged to the profit and loss account of the period when the contributions to the respective funds are due.

k. **Intangible Assets**

Intangible assets are written off in the year in which they are incurred when it is determined that they have no enduring value. When such expenditure is determined to have enduring value, they are written off over such period

M/s. NSVR & Associates LLP.,
Chartered Accountant
FRN NO:008801S/S200060


R.Srinivasu
Partner
M.No:224033
UDIN: 23224033BGPMVX3245



For and on behalf of the Board
Square peg Distribution services private limited


Sri Nagaveer Adusumilli
Director
DIN : 02096695




Vasavi Adusumilli
Director
DIN : 02589803



Date: 30.05.2023
Place: Hyderabad.