

**INDEPENDENT AUDITOR'S REPORT**

To the Members of RITHWIK FACILITY MANAGEMENT SERVICES LIMITED

**Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the standalone financial statements of **Rithwik Facility Management Services Limited** (the "Company"), which comprise the balance sheet as at 31st March 2020, the statement of Profit and Loss for the year then ended, its cash flows for the year ended on that date and notes to the financial statements, including a summary of 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 standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Profit for the year ended on that date and the 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 Act. Our responsibilities under those Standards are further described in *the Auditor's Responsibilities for the Audit of the Financial Statements section in 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Gopal*  


**BRANCH OFFICE**

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## **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 skepticism throughout the audit. We also:

*G. P. Arundhan*  


- 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal 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.

*Gopalesh*



## Report on Other Legal and Regulatory Requirements

1. 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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

2. 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.

*G. S. Parthasarathy*  


3. Provisions of "The Companies (Auditor's Report) Order, 2016", issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the 'Order') we give in the Annexure B, a statement of matters specified in the paragraph 3 and 4 of the Order, to the extent applicable to the Company during the year under audit.

**For Kalyanasundaram & Associates**

**Chartered Accountants**



**T R Gopalakrishnan**

**Partner**

**M.no. 207024**

**Dated: 13<sup>th</sup> July 2020**

**UDIN: 207024AAAAAW5734**

**Annexure A to the Independent Auditor's Report of even date on the Standalone Financial Statements of Rithwik Facility Management Services Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of**

**Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls over financial reporting of Rithwik Facility Management Services Limited (the "Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance

Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable

*[Signature]*  
Kalyanasundaram & Associates  
Chartered Accountants  
Chennai

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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

  


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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Kalyanasundaram & Associates**

**Chartered Accountants**

FRN No. 05455S



**T R Gopalakrishnan**

**Partner**

Membership No.207024

Place: Chennai

Date: 13<sup>th</sup> July 2020

UDIN: 207024AAAAAW5734

## Annexure – B to the Auditors' Report

The Annexure A referred to in paragraph 1 of our report of even date to the members of RITHWIK FACILITY MANAGEMENT SERVICES LIMITED on the accounts of the company for the year ended 31st March 2020.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;  
(b) Fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.  
(c) The Company does not own any immovable property. Hence, paragraph 3(i) (c) of the Order is not applicable.
2. The Company does not hold any inventories. Hence, paragraph 3(ii) of the Order is not applicable.
3. The Company has not granted loans, unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
4. The Company has not granted loans to its directors, made any investments in other entities, nor extended any guarantee or security. Hence paragraph 3(iv) of the Order is not applicable.
5. The Company has not accepted deposits. Accordingly, paragraph 3(v) of the Order is not applicable.
6. Maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act. Hence such accounts and records have not been made and maintained.
7. (a) The company is regular in depositing undisputed statutory dues including duty of customs, duty of excise, value added tax, provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, GST, cess and any other statutory dues with the appropriate authorities and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

  


- (b) There are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or GST or cess which has not been deposited on account of any dispute.
8. The Company has not defaulted in repayment of loans or borrowing to a financial institutions and banks.
  9. The Company has not raised money by way of public offer during the year. Hence this paragraph 3(ix) of the Order is not applicable.
  10. No fraud on or by the company has been noticed or reported during the year.
  11. Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
  12. The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
  13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013, where ever applicable and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
  14. The Company has not made any preferential allotment or private placement of shares during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable.
  15. The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
  16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR KALYANASUNDARAM & ASSOCIATES**

**Chartered Accountants**

**FRN No. 05455S**

*T.R. Gopalakrishnan*

**T.R.GOPALAKRISHNAN**

**Partner**

**Membership No.207024**

**Place: Chennai**

**Dated: 13<sup>th</sup> July 2020**

**UDIN: 207024AAAAAW5734**



**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**  
**(Formerly known as Rithwik Building Services Private Limited)**  
**BALANCE SHEET AS AT 31st MARCH , 2020**

Particulars	Notes	As at 31-Mar-20 Rs.	As at 31-Mar-19 Rs.
<b>1. EQUITY AND LIABILITIES</b>			
<b>I. Shareholders' Funds</b>			
a) Share Capital	2	3,06,00,000	3,06,00,000
b) Reserves & Surplus	3	10,98,44,488	9,35,46,998
Sub Total		<b>14,04,44,488</b>	<b>12,41,46,998</b>
<b>II. Non-Current Liabilities</b>			
a) Long-term Borrowings	4	9,54,601	36,48,024
c) Long-term Provisions	6	46,16,520	33,45,582
Sub Total		<b>55,71,121</b>	<b>69,93,606</b>
<b>III. Current Liabilities</b>			
a) Short Term Liabilities	7	1,00,000	-
b) Trade Payables	8		
A: Total Outstanding Dues Of MSME		30,23,706	-
B: Total Outstanding Dues of Creditors Other than MSME		23,35,259	24,73,687
b) Other Current Liabilities	9	2,07,55,556	1,98,04,259
Sub Total		<b>2,62,14,520</b>	<b>2,22,77,946</b>
<b>TOTAL</b>		<b>17,22,30,128</b>	<b>15,34,18,550</b>
<b>2. ASSETS</b>			
<b>I. Non-Current Assets</b>			
a) Fixed assets:	9		
Tangible assets		1,57,52,515	1,82,41,662
b) Deferred tax Asset	5	12,49,048	10,00,086
c) Other Non Current Asset	10	10,50,00,000	9,00,00,000
Sub Total		<b>12,20,01,563</b>	<b>10,92,41,748</b>
<b>II. Current Assets</b>			
a) Trade Receivables	11	56,74,448	99,57,837
b) Cash and Cash Equivalents	12	2,26,76,750	1,25,30,980
c) Short-term Loans and Advances	13	15,85,415	26,27,779
d) Other Current Assets	14	2,02,91,952	1,90,60,206
<b>TOTAL</b>		<b>5,02,28,565</b>	<b>4,41,76,802</b>
		<b>17,22,30,128</b>	<b>15,34,18,550</b>
<b>Significant Accounting Policies</b>	1		

For Kalyanasundaram & Associates,  
Chartered Accountants  
FRN: 005455S

*T R Gopalakrishnan*  
T R Gopalakrishnan  
Partner

M No. 207024  
Place : Chennai  
Date : 13th July 2020

For and on behalf of the Board of Directors

*Rithwik*  
Rithwik Rajshekar Raman  
Managing Director  
DIN-07836658

*Miranjan Rao*  
Miranjan Rao  
Director  
DIN-02918882

*S Jayapandi*  
S Jayapandi  
Company Secretary  
M No. A21909

*T.Suresh Babu*  
T.Suresh Babu  
CFO



**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**  
**(Formerly known as Rithwik Building Services Private Limited)**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AS ON 31ST MARCH , 2020**

Particulars	Notes	Year Ended 31-Mar-20 Rs.	Year Ended 31-Mar-19 Rs.
<b>REVENUE</b>			
a) Revenue from Operations	16	26,25,96,710	27,28,22,303
c) Other Income	17	-	-
		<b>26,25,96,710</b>	<b>27,28,22,303</b>
<b>EXPENSES</b>			
a) Operating Expenses	18	18,26,84,681	20,41,09,786
b) Employees' Benefit Expenses	19	4,12,60,000	3,84,20,944
c) Finance Cost	11	8,48,500	13,10,706
d) Depreciation	20	33,31,710	30,78,978
e) Other Expenses	21	1,24,59,282	89,40,882
		<b>24,05,84,173</b>	<b>25,58,61,296</b>
<b>Profit Before Tax</b>		<b>2,20,12,537</b>	<b>1,69,61,008</b>
<b>Tax Expenses</b>			
a) Current Income Tax		59,68,414	49,49,643
b) Deferred Tax/(Reversal)		(2,48,961)	25,628
<b>Total</b>		<b>57,19,453</b>	<b>49,75,271</b>
<b>NET PROFIT FOR THE YEAR</b>		<b>1,62,93,084</b>	<b>1,19,85,737</b>
<b>Basic Earning Per Share</b>	22	<b>5.32</b>	<b>3.92</b>
<b>Diluted Earning Per Share</b>	22	<b>5.32</b>	<b>3.92</b>

For Kalyanasundaram & Associates,  
Chartered Accountants  
FRN: 0054555

For and on behalf of the Board of Directors

  
T R Gopalakrishnan  
Partner  
M No. 207024  
Place : Chennai  
Date : 13th July 2020  
Report Ref No

  
Rithwik Rajshekar Raman  
Managing Director  
DIN-07836658

  
Niranjan Rao  
Director  
DIN-02918882

  
S Jayapandi  
Company Secretary  
M No. A21909

  
T.Suresh Babu  
CFO

UDIN: 207024 AAAA5734



**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**  
(Formerly known as Rithwik Building Services Private Limited)

**CASH FLOW STATEMENT FOR YEAR ENDED AS ON 31ST MARCH 2020**

Particulars		Year ended 31st March 2020		Year ended 31st March 2019	
		Rs	Rs	Rs	Rs
Net Profit before taxation			2,20,12,537		1,69,61,008
Add Back:					
Depreciation on Fixed Assets		33,31,710		30,78,978	
Interest Paid		8,48,500	41,80,210	13,10,706	43,89,684
<b>CASH GENERATED BEFORE WORKING CAPITAL CHANGES</b>					
- Decrease/(Increase) in trade receivables		42,83,390		(13,16,540)	
- Decrease/(Increase) in short-term loans and advances		10,42,364		5,08,898	
- Decrease/(Increase) in other current assets		(12,31,747)		39,07,967	
- Increase/(Decrease) in trade payables		28,85,277		(49,97,632)	
- Increase/(Decrease) in short term borrowings		1,00,000		(24,39,349)	
- Increase/(Decrease) in other current liabilities		9,51,296		22,63,861	
			80,30,581		(20,72,796)
<b>CASH GENERATED FROM OPERATIONS</b>					
Add: excess provision of income tax			4,406		(1,14,916)
Less: Income tax Paid(As per assessment year)			59,68,414		57,04,537
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>A</b>		2,82,59,320		1,34,58,443
<b>Cash Inflow from Investing Activities</b>					
Sale of Fixed Assets		10,17,282			
<b>Cash Outflow from Investing Activities</b>					
Purchase of fixed assets		(18,59,847)		(8,08,563)	
Increase in other non current Asset		(1,50,00,000)		(4,25,00,000)	
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>B</b>		(1,58,42,565)		(4,33,08,563)
<b>Cash Inflow from Financing activities</b>					
Fresh Borrowings during the year		(26,93,423)		(38,70,137)	
Increase/(Decrease) in other non-current Liabilities		12,70,938	(14,22,485)	1,14,149	(37,55,988)
<b>Cash Outflow from Financing activities</b>					
Interest and other finance costs		8,48,500	8,48,500	13,10,706	13,10,706
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>C</b>		(22,70,985)		(50,66,695)
<b>NET INCREASE/(DECREASE) IN CASH/CASH EQUIVALENT(A+B+C)</b>			1,01,45,770		(3,49,16,814)
<b>ADD: BALANCE AT THE BEGINNING OF THE YEAR</b>			1,25,30,980		4,74,47,795
<b>CASH AND CASH EQUIVALENT AT THE CLOSE OF THE YEAR</b>			2,26,76,750		1,25,30,980

As per our Report of even date

For Kalyanasundaram & Associates,  
Chartered Accountants

FRN: 0054555

  
T R Gopalakrishnan

Partner

M No. 207024

Place : Chennai

Date : 13th July 2020

Report Ref No:

UDIN: 207024 AAAA W 5234

For and on behalf of the Board of Directors

     
Rithwik Rajsekhar Raman   Niranjan Rao   S Jayapandi   T Suresh Babu  
Managing Director   Director   Secretary   CFO  
DIN-07836658   DIN-02918882   M No. A21909



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note - 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

(Annexed to and forming part of the financial statements for the year ended 31st March, 2020)

**I. BASIS OF PREPARATION :** The financial statements of the company have been prepared on accrual basis under the historical cost convention and on going concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Companies Act, 2013 ('the Act'), as applicable. The accounting policies have been consistently applied by the company.

**II. USE OF ESTIMATES :** The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Example of such estimates include provision for doubtful receivables, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

**III. CASH FLOW STATEMENTS(AS - 3):** Cash Flow Statement has been prepared under Indirect Method. Cash and Cash Equivalents comprise Cash in Hand, Current and Other Accounts (including Fixed Deposits) held with banks.

**IV EVENT OCCURRING AFTER BALANCE SHEET DATE (AS-4):** a) Assets and Liabilities are adjusted for events occurring after the balance sheet date that provide additional evidence to assist the estimation of amounts relating to conditions existing at the balance sheet date.

**V. NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES (AS-5) :** Extra-ordinary Items, and Prior Period Incomes and Expenditures, are accounted in accordance with Accounting Standard 5.

### **VII. RECOGNITION OF INCOME (AS-9) :**

- a) Income from operation are accounted net of service tax on accrual basis.
- b) Dividend from investments is recognized when the right to receive the payment is established.
- c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

**VIII. Property, Plant and Equipment (AS- 10) :** The carrying value of plant, property and equipment are stated at cost of acquisition or construction less accumulated depreciation as on 31st March 2019. The Assets are depreciated over their useful life in accordance with the provision of schedule II of Companies Act 2013. The cost includes all incidental expenses related to acquisition and installation, other pre-operation expenses and interest in case of construction. Carrying amount of cash generating units / assets are reviewed at balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.



#### **IX. FOREIGN CURRENCY TRANSLATIONS(AS-11) :**

- (i) All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.
- (ii) Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.
- (iii) All other incomes or expenditure in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

#### **X. EMPLOYEE BENIFITS(AS -15):**

**Retirement Benefit:** Retirement benefits in the form of Provident / Pension Fund is accounted on accrual basis and charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

**Gratuity:** Gratuity liability is calculated as per the Provisions of Gratuity Act, 1972 on the 15days salary for each completed year of service for the employees who have completed one year of service. The gratuity liability is charged to the Profit and Loss Account of the year.

#### **XI. ACCOUNTING FOR LEASE (AS-19) :**

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Where the Company is lessee- Operating Lease, Lease rentals in respect of assets taken on operating lease are charged to statement of profit and loss over the lease term on monthly basis

#### **XII. EARNING PER SHARE(AS -20):**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The Net profit or loss is computed after providing the deduction for preference dividends and any tax thereto.

#### **XIII. TAXATION(AS -22) :**

Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws. Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing difference at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

#### **XIV. IMPAIRMENT OF ASSETS(AS -28):**

The Company determines the Impairment of Assets based on Cash Generating Units. For this purpose, the Cash Generating Units have been based on segments of operations .

#### **XV. PROVISIONS, CONTINGENT LIABILITIES AND CONTIGENT ASSETS(AS-29):**

A provision is recognised when there is a present obligation as a result of a past event, that probably requires an outflow of resources and a reliable estimate can be made to settle the amount of obligation. Provision is not discounted to its present value and is determined based on the last estimate required to settle the obligation at the year end. These are reviewed at each year end and adjusted to reflect the best current estimate. Contingent liabilities are not recognised but disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**

Notes to Financial Statements for the Period ended 31st March, 2020

**Note 2 : Share Capital**

Particulars	As at 31st March , 2020	As at 31st March , 2019
<b>A. Authorised Share Capital</b>		
Equity Share Capital		
40,00,000 Equity Shares of Rs. 10/- Each	4,00,00,000	1,10,00,000
	<b>4,00,00,000</b>	<b>1,10,00,000</b>
<b>B. Issued, Subscribed &amp; Paid-up Share Capital</b>		
Equity Share Capital		
30,60,000 Equity Shares of Rs. 10/- Each	3,06,00,000	3,06,00,000
	<b>3,06,00,000</b>	<b>3,06,00,000</b>

**C. Reconciliation of shares outstanding at the beginning and at the end of the reporting period.****Equity shares**

Particulars	As at 31st March 2020		As at 31st March 2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	30,60,000	3,06,00,000	30,60,000	3,06,00,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>30,60,000</b>	<b>3,06,00,000</b>	<b>30,60,000</b>	<b>3,06,00,000</b>

**E. Details of Shareholders holding 5% or more shares in the Company**

Particulars	As at 31st March 2020		As at 31st March 2019	
	Number	% of Holding	Number	Amount
Rithwik Rajasekhar Raman	11,02,500	36%	11,02,500	36%
Lalitha Raman	5,39,996	18%	5,39,996	18%
Ramaneesh Ravi Raman	4,72,500	15%	4,72,500	15%

**D. Terms/rights attached to equity shares**

The company has only one class of equity shares having par value of Re. 10 per share. Each holder of equity share is entitled to one vote per share and also entitled for a dividend at the proportionate rate when ever the Company declares it.

**Note 3 :RESERVES AND SURPLUS**

Reserves & Surplus	As at 31st March , 2020	As at 31st March , 2019
<b>Statement of Profit &amp; Loss</b>		
Opening balance	9,35,46,998	8,24,31,071
Add/Less : Provision created for earlier year Income tax and interest	4,406	(8,69,810)
(+) Net Profit for the current year	1,62,93,084	1,19,85,737
Closing Balance	<b>10,98,44,488</b>	<b>9,35,46,998</b>

**Note 4 - LONG-TERM BORROWINGS**

	As at 31st March, 2020	As at 31st March, 2019
<b>Term Loan:</b>		
From Banks and from financial Institutions	47,54,141	76,14,884
	<b>47,54,141</b>	<b>76,14,884</b>
Secured borrowings	47,54,141	76,14,884
Unsecured borrowings	-	-
Less: Amount disclosed under the head Other Current Liabilities	37,99,540	39,66,860
	<b>9,54,601</b>	<b>36,48,024</b>



<b>Name of the Bank</b>	<b>AXIS BANK</b>	<b>Type of Loan</b>	<b>Vehicle Loan</b>
<b>Current Year Balance (Rs.)</b>	<b>8,39,523</b>	Amount sanctioned	24,40,000
<b>Previous Year Balance (Rs.)</b>	<b>14,92,371</b>	Sanction Date	29 June 2017
<b>Security Details:</b>		Current Interest rate	9.01%
The loan is secured against vehicle		Total No. of Instalments	47
		No. of instalments paid	32
		No. of balance instalments to be paid	15
		Amount of instalment	63,397
		Repayment type	Monthly
		Interest payment type	Monthly

<b>Name of the Bank</b>	<b>ICICI Bank Limited</b>	<b>Type of Loan</b>	<b>Vehicle Loan</b>
<b>Current Year Balance (Rs.)</b>	<b>13,94,967</b>	Amount sanctioned	17,00,000
<b>Previous Year Balance (Rs.)</b>	<b>-</b>	Sanction Date	16 April 2019
<b>Security Details:</b>		Current Interest rate	10.02%
The loan is secured against vehicle		Total No. of Instalments	46
		No. of instalments paid	10
		No. of balance instalments to be paid	36
		Amount of instalment	45,030
		Repayment type	Monthly
		Interest payment type	Monthly

<b>Name of the Institution</b>	<b>Magma Fincorp Ltd</b>	<b>Type of Loan</b>	<b>Generator Loan</b>
<b>Current Year Balance (Rs.)</b>	<b>11,68,170</b>	Amount sanctioned	39,50,000
<b>Previous Year Balance (Rs.)</b>	<b>24,12,659</b>	Sanction Date	06 February 2018
<b>Security Details:</b>		Current Interest rate	13.05%
The loan is secured against plant and machinery		Total No. of Instalments	35
		No. of instalments paid	25
		No. of balance instalments to be paid	10
		Amount of instalment	1,57,437
		Repayment type	Monthly
		Interest payment type	Monthly

<b>Name of the Institution</b>	<b>Magma Fincorp Ltd</b>	<b>Type of Loan</b>	<b>Generator Loan</b>
<b>Current Year Balance (Rs.)</b>	<b>13,51,481</b>	Amount sanctioned	54,50,000
<b>Previous Year Balance (Rs.)</b>	<b>33,28,832</b>	Sanction Date	06 February 2018
<b>Security Details:</b>		Current Interest rate	13.05%
The loan is secured against plant and machinery		Total No. of Instalments	35
		No. of instalments paid	25
		No. of balance instalments to be paid	10
		Amount of instalment	2,17,223
		Repayment type	Monthly
		Interest payment type	Monthly



**Note 5 - DEFERRED TAX LIABILITY / (ASSET)**

Details	As at 31st March, 2020	As at 31st March, 2019
Opening Balance	(10,00,086)	(10,25,714)
Add: Deferred tax liability(Asset)	(2,48,961)	25,628
	<b>(12,49,048)</b>	<b>(10,00,086)</b>

**Note 6 - LONG-TERM PROVISIONS**

	As at 31st March, 2020	As at 31st March, 2019
Provision for Gratuity	46,16,520	33,45,582
	<b>46,16,520</b>	<b>33,45,582</b>

**Note 7 - SHORT-TERM LIABILITIES**

Details	As at 31st March, 2020	As at 31st March, 2019
Security deposits repayable on demand: From Companies	1,00,000	-
	<b>1,00,000</b>	<b>-</b>

**Note 8 - TRADE PAYABLES**

Details	As at 31st March, 2020	As at 31st March, 2019
Trade payables		
Due to MSME	30,23,706	-
Due to creditors other than MSME	23,35,259	24,73,687
	<b>30,23,706</b>	<b>24,73,687</b>

**Note 9 - OTHER CURRENT LIABILITIES**

Details	As at 31st March, 2020	As at 31st March, 2019
Expenses Payable	1,49,10,912	1,41,61,646
GST payable	16,11,819	12,33,152
TDS Payable	4,33,285	4,42,601
Current maturities of long-term borrowings	37,99,540	39,66,860
	<b>2,07,55,556</b>	<b>1,98,04,259</b>

**Note 11 - OTHER NON CURRENT ASSET**

Details	As at 31st March, 2020	As at 31st March, 2019
Security Deposit and other deposits	10,50,00,000	9,00,00,000
	<b>10,50,00,000</b>	<b>9,00,00,000</b>

**Note 12 - TRADE RECEIVABLES**

	As at 31st March, 2020	As at 31st March, 2019
Trade receivables	56,74,448	99,57,837
	<b>56,74,448</b>	<b>99,57,837</b>

**Note 13 - CASH AND CASH EQUIVALENTS**

	As at 31st March, 2020	As at 31st March, 2019
Cash on Hand	1,86,238	2,15,238
Balance with banks: In current accounts	2,24,90,513	1,23,15,742
	<b>2,26,76,750</b>	<b>1,25,30,980</b>



**Note 14 - SHORT-TERM LOANS AND ADVANCES**

	As at 31st March, 2020	As at 31st March, 2019
Security and other Deposit	5,55,000	5,55,000
Advance to Vendors - Trade	1,18,616	8,59,279
Advance to Employees	9,11,799	12,13,500
	<b>15,85,415</b>	<b>26,27,779</b>

**Note 15 - OTHER CURRENT ASSETS**

	As at 31st March, 2020	As at 31st March, 2019
Prepaid Expenses	9,96,296	12,55,092
TDS Receivable	11,82,724	13,33,199
GST - ITC	12,10,893	11,40,608
Service Tax Input Credit ( Trans Credit)	5,94,323	5,94,323
Other Receivables	1,63,07,717	1,47,36,984
	<b>2,02,91,952</b>	<b>1,90,60,206</b>

**Note 16 - REVENUE FROM OPERATIONS**

Details	As at 31st March, 2020	As at 31st March, 2019
Revenue From Maintenance	9,33,91,837	8,79,26,661
Revenue From Power Supply	16,79,00,017	15,30,80,545
Revenue From Turn key Project	13,04,855	3,18,15,097
	<b>26,25,96,710</b>	<b>27,28,22,303</b>

**Note 17 - OTHER INCOME**

Details	As at 31st March, 2020	As at 31st March, 2019
Other non-operating income	-	-
	<b>-</b>	<b>-</b>

**Note 18 - OPERATING EXPENSES**

Details	As at 31st March, 2020	As at 31st March, 2019
Facility Operating Expenses	4,39,05,405	4,73,74,505
Expenses Against Power Supply	13,87,79,276	12,94,69,419
Expenses Against Turn key Project	-	2,72,65,862
	<b>18,26,84,681</b>	<b>20,41,09,786</b>

**Note 19 - EMPLOYEE BENEFITS EXPENSES**

Details	As at 31st March, 2020	As at 31st March, 2019
Salaries & Allowances	3,11,32,839	2,94,10,139
Director Remuneration	54,00,000	52,20,000
Sitting Fees	1,65,000	1,10,000
Contribution to PF and ESI	21,85,575	21,71,193
Welfare Expenses	10,30,792	12,96,341
Gratuity	13,45,794	2,13,271
	<b>4,12,60,000</b>	<b>3,84,20,944</b>

**Note 20 - INTEREST & FINANCE CHARGES**

Details	As at 31st March, 2020	As at 31st March, 2019
Interest on Vehicle and Generator	8,15,079	12,97,914
Bank Charges	33,421	12,792
	<b>8,48,500</b>	<b>13,10,706</b>

**Note 21 - OTHER EXPENSES**

Details	As at 31st March, 2020	As at 31st March, 2019
Office and Administrative Expenses	1,24,59,282	89,40,882
	<b>1,24,59,282</b>	<b>89,40,882</b>



**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**  
to Financial Statements for the period ended 31st March , 2020  
10 - Fixed Assets

Particulars	Gross Block as on			Depreciation up to			Net Block as at		
	01-Apr-19	Additions	Deletions	31-Mar-20	01-Apr-19	For theyear	Deletion	31-Mar-20	31-Mar-19
Conditioners	11,26,407	-	-	11,26,407	3,07,088	75,740	-	3,82,828	8,19,319
& Machinery	1,15,22,643	-	-	1,15,22,643	13,08,268	7,76,229	-	20,84,497	1,02,14,375
Juices	3,63,916	7,839	-	3,71,755	1,21,318	36,610	-	1,57,928	2,42,599
Tea Cakes	1,56,35,541	16,79,063	38,33,758	1,34,80,845	94,58,082	20,84,441	28,16,476	87,26,047	61,77,460
Computers	17,08,231	1,72,946	-	18,81,177	9,20,320	3,58,690	-	12,79,010	7,87,911
	3,03,56,740	18,59,847	38,33,758	2,83,82,827	1,21,15,077	33,31,710	28,16,476	1,26,30,311	1,82,41,662



**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**  
**(Formerly known as Rithwik Building Services Private Limited)**  
**Notes to Financial Statements for the period ended 31st March, 2020**  
**Additional Notes/Information**

**Note 22 - EARNINGS PER SHARE**

Details	As at 31st March, 2020
Net profit as per Statement of Profit and Loss	1,62,93,084
Net profit available to Equity Share holders	1,62,93,084
No. of equity shares at year end	30,60,000
Weighted average number of Equity shares used	30,60,000
Face value per Equity Share	10
Basic Earnings per Share	5.32

**Note - 23** No material Impairment of Assets has been identified by the Company as such and no provision is required as per Accounting Standards (AS 28) issued by the Institute of Chartered Accountants of India.

**Note - 24 RELATED PARTY DISCLOSURE**

**A. Parties where control exists**

i.Share holder holding substantial interest

Rithwik Rajasekhar Raman - holding 36% of the shares.

ii.Key Managerial Personnel

Niranjana Rao - Director

Rithwik Rajasekhar Raman - Managing Director

(Deemed as a KMP based on the authority & responsibility as per the Explanation to Paragraph-14 of AS-18)

**B. Transactions carried out with related parties referred in "A" above, in ordinary course of business:**

Nature of transactions	Related parties (Amount in Rs.)
	Key Managerial Personnel
Director Remuneration Rs.	54,00,000
Remuneration to KMP Rs.	27,97,200

**C. Outstanding at the period end with related parties referred in "A" above, in ordinary course of business:**

Nature of transactions	Related parties (Amount in Rs.)
	Key Managerial Personnel
Director Remuneration Payable	4,50,000
Remuneration to KMP Payable	2,33,100

**Note - 25 EXPENDITURE IN FOREIGN CURRENCY**

Details	Year ended 31st March 2020
Travelling and accommodation Expenses	49,94,874

**Note - 25 CONTINGENT LIABILITIES**

Matters	Current year
i) Claims not Acknowledged as debts:	
Claim against company under Income Tax Act	
AY 2017 - 18	11,09,052
AY 2018 - 19	4,81,589

The Company has preferred an appeal in CIT(A) against the demand raised by the Assessing Officer in the above



**Note - 26 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

Based on and to the extent of information received from the Suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006 as identified by Management and relied upon by the Auditors, the relevant particulars as at 31st March 2020 are furnished below:

Details	31st March, 2020
Dues outstanding as at the end of the period for more than 45 days	NIL

**Note - 27 PAYMENT TO AUDITORS**

Particulars	Year Ended 31st March 2020
Statutory Audit Fees	75,000
Tax Audit Fees	30,000
Internal Audit Fees	50,000
Special Audit Fees	30,000
<b>TOTAL</b>	<b>1,85,000</b>

**Note - 28 PREVIOUS YEAR FIGURES**

The previous year figure have been regrouped, reworked and reclassified, wherever necessary.

For Kalyanasundaram & Associates,  
Chartered Accountants  
FRN: 005455S

T R Gopalakrishnan

Partner

M No. 207024

Place : Chennai

Date : 13th July 2020

Report Ref No

UDIN! 207024 AAAAAN 5234

For and on behalf of the Board of Directors

Rithwik Rajshekar  
Raman

Managing Director  
DIN-07836658

Niranjan Rao

Director  
DIN-02918882

S Jayapandi

Company  
Secretary  
M No. A21909

T.Suresh Babu

CFO

