



KALYANASUNDARAM & ASSOCIATES

CHARTERED ACCOUNTANTS

STATUTORY AUDIT
INTERNAL AUDIT
DIRECT TAXATION
INDIRECT TAXATION
START UP SERVICES
CONSULTING

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RITHWIK FACILITY MANAGEMENT SERVICES LIMITED (Formally know as RITHWIK BUILDING SERVICES PRIVATE LIMITED)

Report on the Financial Statements

We have audited the accompanying financial statements of RITHWIK FACILITY MANAGEMENT SERVICES LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss for the year then ended and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, 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.

Auditor's Responsibility

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.

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In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended March 31, 2019

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016("the order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement of matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, 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 B"; and

- g. With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us :
1. The Company has no impact of pending litigations on its financial position in its financial statements
 2. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 3. There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund during the year.

For Kalyanasundaram & Associates
Chartered Accountants
FRN No. 05455S




T.R.GOPALAKRISHNAN
Partner
Membership No.207024
Place: Chennai
Dated: 28th May 2019
Report Ref No: SA/TRG/01/2019-20

Annexure – A 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 2019. 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.

G.opalakrishnan


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: 28th May 2019
Report Ref No: SA/TRG/01/2019-20

Annexure - B to the Auditors' Report

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 BUILDING SERVICES PRIVATE LIMITED as on 31 March 2019 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 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 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 2019, 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



T.R.GOPALAKRISHNAN
Partner

Membership No.207024

Place: Chennai

Dated: 28th May 2019

Report Ref No: SA/TRG/01/2019-20

RITHWIK FACILITY MANAGEMENT SERVICES LIMITED
(Formerly known as Rithwik Building Services Private Limited)
BALANCE SHEET AS AT 31st MARCH, 2019

Particulars	Notes	As at 31-Mar-19 Rs.	As at 31-Mar-18 Rs.
1. EQUITY AND LIABILITIES			
i. Shareholders' Funds			
a) Share Capital	2	3,06,00,000	3,06,00,000
b) Reserves & Surplus	3	9,35,46,998	8,24,31,071
Sub Total		<u>12,41,46,998</u>	<u>11,30,31,071</u>
ii. Non-Current Liabilities			
a) Long-term Borrowings	4	36,48,024	75,18,161
c) Long term Provisions	6	33,45,582	32,31,433
Sub Total		<u>69,93,606</u>	<u>1,07,49,594</u>
iii. Current Liabilities			
a) Short-term Borrowings	7		24,39,349
b) Trade Payables	8	24,73,687	74,71,320
c) Other Current Liabilities	9	1,98,04,260	1,75,40,400
Sub Total		<u>2,22,77,947</u>	<u>2,74,51,068</u>
TOTAL		<u><u>15,34,18,550</u></u>	<u><u>15,12,31,733</u></u>
2. ASSETS			
i. Non-Current Assets			
a) Fixed assets	10		
Tangible assets		1,82,41,662	2,05,12,077
b) Deferred tax Asset	5	10,00,086	10,25,714
c) Other Non Current Asset	11	9,00,00,000	4,75,00,000
Sub Total		<u>10,92,41,748</u>	<u>6,90,37,792</u>
ii. Current Assets			
a) Trade Receivables	12	99,57,837	86,41,297
b) Cash and Cash Equivalents	13	1,25,30,980	4,74,47,795
c) Short-term Loans and Advances	14	26,27,779	31,36,676
d) Other Current Assets	15	1,90,60,206	2,29,68,173
Sub Total		<u>4,41,76,802</u>	<u>8,21,93,942</u>
TOTAL		<u><u>15,34,18,550</u></u>	<u><u>15,12,31,733</u></u>
Significant Accounting Policies			
1			

For Kalyanasundaram & Associates
Chartered Accountants
FRN: 005455S

For and on behalf of the Board of Directors


T.R. Gopalakrishnan
Partner
M No. 207024
Place : Chennai
Date : 28 May 2019
Report Ref No




Rithwik Rajshakar Raman
Managing Director
DIN-07836658


Niranjan Rao
Director
DIN-02918882


S. Jayapandi
Company Secretary
M No. A21909


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 , 2019

Particulars	Notes	Year Ended	Year Ended
		31-Mar-19	31-Mar-18
		Rs.	Rs.
REVENUE			
a) Revenue from Operations	16	27,28,22,303	20,94,08,388
c) Other Income	17		2,09,838
		<u>27,28,22,303</u>	<u>20,96,18,226</u>
EXPENSES			
a) Operating Expenses	18	20,41,09,786	15,38,61,640
b) Employees' Benefit Expenses	19	3,84,20,944	3,01,53,365
c) Finance Cost	11	13,10,706	6,18,478
d) Depreciation	20	30,78,978	23,90,582
e) Other Expenses	21	89,40,882	1,26,91,756
		<u>25,58,61,296</u>	<u>19,97,15,821</u>
Profit Before Tax		1,69,61,008	99,02,405
Tax Expenses			
a) Current Income Tax		49,49,643	38,99,818
b) Deferred Tax/(Reversal)		25,628	(2,53,987)
Total		<u>49,75,271</u>	<u>36,45,832</u>
NET PROFIT FOR THE YEAR		<u>1,19,85,737</u>	<u>62,56,574</u>
Basic Earning Per Share	22	3.92	2.04
Diluted Earning Per Share	22	3.92	2.04

For Kalyanasundaram & Associates
Chartered Accountants
FRN: 0054555



T R Gopalakrishnan

Partner

M No. 207024

Place : Chennai

Date : 28 May 2019

Report Ref No

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

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

CASH FLOW STATEMENT FOR YEAR ENDED AS ON 31ST MARCH 2019

Particulars	Year ended 31st March 2019		Year ended 31st March 2018	
	Rs	Rs	Rs	Rs
Net Profit before taxation		1,69,61,008		99,02,405
Add Back:				
Depreciation on Fixed Assets	30,78,978		23,90,582	
Loss on sale of asset			41,514	
Interest Paid	13,10,706	43,89,684	6,18,478	30,50,574
CASH GENERATED BEFORE WORKING CAPITAL CHANGES				
- Decrease/(Increase) in Trade receivables	(13,16,540)		(24,32,388)	
- Decrease/(Increase) in short-term loans and advances	5,08,898		3,01,64,265	
- Decrease/(Increase) in other current assets	39,07,967		2,22,370	
- Increase/(Decrease) in Trade payables	(49,97,632)		(1,40,31,339)	
- Increase/(Decrease) in short term borrowings	(24,39,349)		(47,037)	
- Increase/(Decrease) in other current liabilities	22,63,861		(72,38,988)	
		(20,72,796)		66,36,883
CASH GENERATED FROM OPERATIONS				
Add: excess provision of income tax		(1,14,916)		
Less: Income tax Paid(As per assessment) year		57,04,537		(38,99,818)
NET CASH FLOW FROM OPERATING ACTIVITIES	A	1,34,58,443		1,56,90,044
Cash Inflow from Investing Activities				
Cash Outflow from Investing Activities				
Purchase of fixed assets		(8,08,563)		(1,37,79,297)
Increase in other non current Asset		(4,25,00,000)		(4,75,00,000)
NET CASH FLOW FROM INVESTING ACTIVITIES	B	(4,33,08,563)		(6,12,79,297)
Cash Inflow from Financing activities				
Fresh Borrowings during the year		(38,70,137)		62,23,901
Fresh Issue of Share				8,55,00,000
Increase/(Decrease) in other non-current Liabilities		1,14,149	(37,55,988)	4,92,001
Cash Outflow from Financing activities				
Interest and other finance costs		13,10,706	13,10,706	6,18,479
NET CASH FLOW FROM FINANCING ACTIVITIES	C	(50,66,695)		9,15,97,424
NET INCREASE/(DECREASE) IN CASH/CASH EQUIVALENT(A+B+C)		(3,49,16,814)		4,60,08,171
ADD: BALANCE AT THE BEGINNING OF THE YEAR		4,74,47,795		14,39,624
CASH AND CASH EQUIVALENT AT THE CLOSE OF THE YEAR		1,25,30,980		4,74,47,795

As per our Report of even date

For Kalyanasundaram & Associates

Chartered Accountants

FRN: 0054555


T R Gopalakrishnan



Partner
M No. 207024

Place : Chennai

Date : 28 May 2019

Report Ref No

For and on behalf of the Board of Directors

   
Rithwik Rajsekhar Rarr Niranjan Rao S Jayapandi T Suresh Babu
Managing Director Director Company 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, 2019)

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 Equipement (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 BENEFITS(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 CONTINGENT 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, 2019

Note 2 : Share Capital

Particulars	As at	As at
	31st March, 2019	30th March, 2018
A. Authorised Share Capital		
Equity Share Capital		
40,00,000 Equity Shares of Rs. 10/- Each	4,00,00,000	1,10,00,000
	4,00,00,000	1,10,00,000
B. Issued, Subscribed & Paid-up Share Capital		
Equity Share Capital		
10,000 Equity Shares of Rs. 10/- Each	1,00,000	1,00,000
Add: 8,90,000 Bonus Shares of Rs. 10/- Each	89,00,000	89,00,000
Add: 7,50,000 Bonus Shares of Rs. 10/- Each	75,00,000	75,00,000
Add: 6,00,000 Right Shares of Rs. 10/- Each	60,00,000	60,00,000
Add: 81,000 Equity Shares of Rs. 10/- Each	81,00,000	81,00,000
	3,06,00,000	3,06,00,000

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

Equity shares

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	30,60,000	3,06,00,000	9,00,000	90,00,000
Right Shares Issued during the year			6,00,000	60,00,000
Bonus Shares Issued during the year			7,50,000	75,00,000
Public Issue of Shares			8,10,000	81,00,000
Shares bought back during the year				
Shares outstanding at the end of the year	30,60,000	3,06,00,000	30,60,000	3,06,00,000

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

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number	% of Holding	Number	Amount
Rithwik Rajasekhar Raman	11,00,500	36%	11,00,500	36%
Lalitha Raman	5,39,998	18%	5,39,998	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	As at
	31st March, 2019	31st March, 2018
Statement of Profit & Loss		
Opening balance	8,24,31,071	1,22,74,497
Add: Security Premium	-	7,14,00,000
Less: Issue of Bonus Share	-	(75,00,000)
Less : Provision created for earlier year Income tax and interest	(8,69,810)	-
(+) Net Profit for the current year	1,19,85,737	62,56,574
Closing Balance	8,35,46,998	8,24,31,071

Note 4 - LONG-TERM BORROWINGS

	As at	As at
	31st March, 2019	31st March, 2018
Term Loan:		
From Banks and from financial Institutions	76,14,884	1,26,04,716
	76,14,884	1,26,04,716
Secured borrowings	76,14,884	1,26,04,716
Unsecured borrowings	-	-
Less: Amount disclosed under the head Other Current Liabilities	39,66,860	50,86,555
	36,48,024	75,18,161

HDFC Bank Limited		Type of Loan	Vehicle Loan
Current Year Balance (Rs.)	3,34,570	Amount sanctioned	26,96,000
Previous Year Balance (Rs.)	9,55,277	Sanction Date	28 August 2014
Security Details:		Current Interest rate	9.97%
The loan is secured against vehicle		Total No. of Instalments	60
		No. of instalments paid	54
		No. of balance instalments to be paid	6
		Amount of instalment	57,415
		Repayment type	Monthly
		Interest payment type	Monthly

AXIS BANK		Type of Loan	Vehicle Loan
Current Year Balance (Rs.)	14,92,371	Amount sanctioned	24,40,000
Previous Year Balance (Rs.)	20,89,183	Sanction Date	29 June 2017
Security Details:		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

Canara Bank Limited		Type of Loan	Vehicle Loan
Current Year Balance (Rs.)	1,32,780	Amount sanctioned	4,24,000
Previous Year Balance (Rs.)	2,09,813	Sanction Date	24 September 2013
Security Details:		Current Interest rate	9.90%
The loan is secured against vehicle		Total No. of Instalments	60
		No. of instalments paid	55
		No. of balance instalments to be paid	5
		Amount of instalment	7,971
		Repayment type	Monthly
		Interest payment type	Monthly

Reliance Commercial Finance Limited		Type of Loan	Generator Loan
Current Year Balance (Rs.)	23,78,236	Amount sanctioned	39,50,000
Previous Year Balance (Rs.)	38,35,537	Sanction Date	06 February 2018
Security Details:		Current Interest rate	12.25%
The loan is secured against plant and machinery		Total No. of Instalments	35
		No. of instalments paid	13
		No. of balance instalments to be paid	22
		Amount of instalment	1,57,437
		Repayment type	Monthly
		Interest payment type	Monthly

Reliance Commercial Finance Limited		Type of Loan	Generator Loan
Current Year Balance (Rs.)	32,81,335	Amount sanctioned	54,50,000
Previous Year Balance (Rs.)	52,92,067	Sanction Date	06 February 2018
Security Details:		Current Interest rate	12.25%
The loan is secured against plant and machinery		Total No. of Instalments	35
		No. of instalments paid	13
		No. of balance instalments to be paid	22
		Amount of instalment	2,17,223
		Repayment type	Monthly
		Interest payment type	Monthly

Note 5 - DEFERRED TAX LIABILITY / (ASSET)

Details	As at 31st March, 2019	As at 31st March, 2018
Opening Balance	(10,25,714)	(7,71,728)
Add: Deferred tax liability(Asset)	25,628	(2,53,987)
	(10,00,086)	(10,25,714)

Note 6 - LONG-TERM PROVISIONS

Details	As at 31st March, 2019	As at 31st March, 2018
Provision for Gratuity	33,45,582	32,31,433
	33,45,582	32,31,433

Note 7 - SHORT-TERM BORROWINGS

Details	As at 31st March, 2019	As at 31st March, 2018
Unsecured Loan repayable on demand: From Bank	-	24,39,349
	-	24,39,349

Note 8 - TRADE PAYABLES

Details	As at 31st March, 2019	As at 31st March, 2018
Trade payable:	24,73,687	24,71,320
	24,73,687	24,71,320

Note 9 - OTHER CURRENT LIABILITIES

Details	As at 31st March, 2019	As at 31st March, 2018
Expenses Payable	1,41,61,547	1,07,74,714
GST payable	12,33,152	13,56,068
TDS Payable	4,42,601	3,23,063
Current maturities of long-term borrowings	39,66,860	50,86,555
	1,98,04,260	1,75,40,400

Note 11 - OTHER NON CURRENT ASSET

Details	As at 31st March, 2019	As at 31st March, 2018
Security Deposit and other deposits	9,00,00,000	4,75,00,000
	9,00,00,000	4,75,00,000

Note 12 - TRADE RECEIVABLES

Details	As at 31st March, 2019	As at 31st March, 2018
Trade receivables:	99,57,837	86,41,297
	99,57,837	86,41,297

Note 13 - CASH AND CASH EQUIVALENTS

Details	As at 31st March, 2019	As at 31st March, 2018
Cash on Hand	2,15,238	2,52,564
Balance with banks: In current accounts	1,23,15,742	4,71,95,231
	1,25,30,980	4,74,47,795

Note 14 - SHORT-TERM LOANS AND ADVANCES

	As at 31st March, 2019	As at 31st March, 2018
Security and other Deposit	5,55,000	6,20,000
Advance to Vendors - Trade	8,59,279	12,13,176
Advance to Employees	12,13,500	13,03,500
	26,27,779	31,36,676

Note 15 - OTHER CURRENT ASSETS

	As at 31st March, 2019	As at 31st March, 2018
Prepaid Expenses	12,55,092	13,07,593
TDS Receivable	13,33,199	7,58,453
GST - ITC	11,40,608	43,76,647
Service Tax Input Credit (Trans Credit)	5,94,323	5,94,323
Other Receivables	1,47,36,984	1,59,31,158
	1,90,60,206	2,29,68,173

Note 16 - REVENUE FROM OPERATIONS

Details	As at 31st March, 2019	As at 31st March, 2018
Revenue From Maintenance	8,79,26,661	6,28,68,462
Revenue From Power Supply	15,30,80,545	14,65,39,926
Revertue From Turn key Project	3,18,15,097	
	27,28,22,303	20,94,08,388

Note 17 - OTHER INCOME

Details	As at 31st March, 2019	As at 31st March, 2018
Other non-operating income		2,09,838
		2,09,838

Note 18 - OPERATING EXPENSES

Details	As at 31st March, 2019	As at 31st March, 2018
Facility Operating Expenses	4,73,74,505	3,70,22,601
Expenses Against Power Supply	12,94,69,419	11,68,39,039
Expenses Against Turn key Project	2,72,65,862	
	20,41,09,786	15,38,61,640

Note 19 - EMPLOYEE BENEFITS EXPENSES

Details	As at 31st March, 2019	As at 31st March, 2018
Salaries & Allowances	2,94,10,139	2,32,83,522
Director Remuneration	52,20,000	32,40,000
Sitting Fees	1,10,000	1,10,000
Contribution to PF and ESI	21,71,193	21,29,373
Welfare Expenses	12,96,341	8,08,642
Gratuity	2,13,271	5,81,828
	3,84,20,944	3,01,53,365

Note 20 - INTEREST & FINANCE CHARGES

Details	As at 31st March, 2019	As at 31st March, 2018
Interest on Vehicle and Generator	12,97,914	5,00,856
Interest on OD		3,697
Bank and Processing Charges	12,792	1,13,925
	13,10,706	6,18,478

Note 21 - OTHER EXPENSES

Details	As at 31st March, 2019	As at 31st March, 2018
Office and Administrative Expenses	89,40,882	1,26,91,756
	89,40,882	1,26,91,756

RITHVIK FACILITY MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the period ended 31st March, 2019
Note 10 - Fixed Assets

Particulars	Gross Block as on				Depreciation up to				Net Block as at	
	01-Apr-18	Additions	Deletions	31-Mar-19	01-Apr-18	For theyear	Deletion	31-Mar-19	31-Mar-19	31-Mar-18
Air Conditioners	11,26,407	-	-	11,26,407	2,31,555	75,533	-	3,07,088	8,19,319	8,94,852
Plant & Machinery	1,15,04,677	17,966	-	1,15,22,643	5,35,069	7,73,199	-	13,08,268	1,02,14,375	1,09,69,608
Furnitures	3,40,400	23,517	-	3,63,917	86,423	34,895	-	1,21,318	2,42,599	2,53,977
Vehicles	1,56,35,542	-	-	1,56,35,542	74,47,590	20,10,492	-	94,58,082	61,77,460	81,87,952
Computers	9,41,151	7,67,080	-	17,08,231	7,35,461	1,84,859	-	9,20,320	7,87,911	2,05,690
Total	2,95,48,177	8,08,563	-	3,03,56,740	90,36,099	30,78,978	-	1,21,15,077	1,82,41,662	2,05,12,077

RITHWIK FACILITY MANAGEMENT SERVICES LIMITED
(Formerly known as Rithwik Building Services Private Limited)
Notes to Financial Statements for the period ended 31st March, 2019
Additional Notes/Information

Note 22 - EARNINGS PER SHARE

Details	As at 31st March, 2019
Net profit as per Statement of Profit and Loss	1,19,85,737
Net profit available to Equity Share holders	1,19,85,737
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	3.92

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 Prior Period Expenses

An amount of Rs 1,64,080 has been classified as prior period expenses (FY 2017-18) on account of short provision of windmill charges which has been taken into effect in the financial year 2018-19.

Note - 25 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

Niranjan 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 to KMP Rs.	52,20,000

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
Managerial Remuneration payable	4,50,000

Note - 26 EXPENDITURE IN FOREIGN CURRENCY

Details	Year ended 31st March 2019
Travelling Expenses	10,71,275

Note - 27 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 2019 are furnished below:

Details	31st March, 2019
Dues outstanding as at the end of the period for more than 45 days	NIL

Note - 28 PAYMENT TO AUDITORS

Particulars	Year Ended 31st March 2019
Statutory Audit Fees	75,000
Tax Audit Fees	30,000
Internal Audit Fees	50,000
Special Audit Fees	30,000
TOTAL	1,85,000

Note - 29 PREVIOUS YEAR FIGURES

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

For Kalyanasundaram & Associates
Chartered Accountants
FRN: 0054555

T R Gopalakrishnan

Partner

M No. 207024

Place : Chennai

Date : 28 May 2019

Report Ref No



For and on behalf of the Board of Directors

Rithwik Rajshekar
Raman

Managing Director
DIN-07836658

Niranjana Rao

Director
DIN-02918882

S. Jayapandi

Company
Secretary
M No. A21909

T. Suresh Babu

CFO