

**RIGHT AUTOMOBILES  
PRIVATE LIMITED**

**ANNUAL REPORT  
2020-21**

## DIRECTORS' REPORT

To  
The Shareholders,  
Right Automobiles Private Limited,

Your Directors' have pleasure in submitting 5<sup>th</sup> Annual Report of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2021.

### 1. FINANCIAL SUMMARY:

The Company's financial performance, for the year ended 31<sup>st</sup> March 2021 has been summarized below:

(Amount in Rs.)

PARTICULARS	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020
Total Revenue	22,97,71,145	10,58,78,519
Total Expenses	22,37,08,563	10,22,08,474
Profit or Loss before Tax	60,62,582	36,70,045
Current Tax	12,85,984	7,70,169
Deferred Tax	(1,31,890)	26,296
Taxes Paid for earlier years	1,81,869	15,620
Profit or Loss After Tax	47,26,619	28,57,960

### 2. PERFORMANCE REVIEW & COMPANY'S STATE OF AFFAIRS:

The Company's revenue from operations for FY 2020-21 was Rs. 22,97,71,145 compared to Rs. 10,58,78,519 in the previous year. The Company's profit before exceptional items and tax on a was Rs. 60,62,582 during the year compared to Rs. 36,70,045 in the previous year. The Company earned a net profit after tax of Rs. 47,26,619 as against a net profit after tax of Rs. 28,57,960 in the previous year.

### 3. COVID-19

The ongoing COVID-19 pandemic impacted the Company but the Company resolved to emerge stronger by shifting the focus immediately on improvement in market, operational and financial performance, ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers.

#### 4. TRANSFER TO RESERVES:

The Company has not created any reserves during the Financial Year ended 31<sup>st</sup> March, 2021.

#### 5. DIVIDEND:

In order to accumulate profits of the Company for its future growth and expansion of the business, the Directors of your Company have not recommended any dividend for the Financial Year 2020-21.

#### 6. CAPITAL STRUCTURE:

Your Company's Equity Share Capital as at the beginning of the Financial Year 2020-21 (i.e., as on 1<sup>st</sup> April, 2020) and as at the end of the said Financial Year (i.e., as on 31<sup>st</sup> March, 2021) is as follows: -

Category of Share Capital	Authorized Share Capital		
	No. of Shares	Face Value per share (In Rs.)	Total Amount (In Rs.)
As on April 1, 2020:	10,00,000	10	1,00,00,000
As on 31 <sup>st</sup> March, 2021	10,00,000	10	1,00,00,000

Category of Share Capital	Issued, Subscribed & Paid-up Share Capital		
	No. of Shares	Face Value per share (In Rs.)	Total Amount (In Rs.)
As on April 1, 2020:	10,00,000	10	1,00,00,000
As on 31 <sup>st</sup> March, 2021	10,00,000	10	1,00,00,000

As on 31<sup>st</sup> March, 2021, the paid-up Capital of the Company was Rs. 1,00,00,000 (Rupees One Crore Only) comprising of 10,00,000 Equity Shares of Rs. 10 (Rupees Ten only) each. During the year under review, the Company has not issued any shares.

#### 7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of your Company during Financial Year 2020-21 comprised of the following Directors:

Name of the Director	Designation
Mr. Satyapoorna Chander Yalamanchili	Director
Mr. Manideep Katepalli	Director

During the year under review, there were no appointments or cessation of Directors.

**Key Managerial Personnel:**

The provisions of appointment of key managerial personnel as per section 203 of the Companies Act, 2013 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the company.

**8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

**9. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:**

During the financial year 2020-21, nine Board Meetings were held i.e., on the below mentioned dates:

S. No.	Date of the Board Meeting
1	28 <sup>th</sup> June, 2020
2	24 <sup>th</sup> August, 2020
3	31 <sup>st</sup> August, 2020
4	26 <sup>th</sup> October, 2020
5	02 <sup>nd</sup> November, 2020
6	21 <sup>st</sup> January, 2021
7	15 <sup>th</sup> March, 2021
8	20 <sup>th</sup> March, 2021
9	25 <sup>th</sup> March, 2021

**10. PARTICULARS OF EMPLOYEES:**

The provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable on a Private Limited Company.

**11. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There were no other material changes and commitments affecting the financial position of the Company occurred between the end of the financial year (31<sup>st</sup>

March, 2021) to which these financial statements relate and on the date of this report.

## **12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The disclosures pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014 pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are not applicable to your Company.

## **13. EXTRACT OF ANNUAL RETURN IN FORM NO. MGT-9 FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021-**

In view the latest amendment of Companies (Management and Administration) Amendment Rules, 2021 notified vide notification no. G.S.R. 159(E) dated 5<sup>th</sup> March, 2021, the requirement of attaching the extract of annual return with the Directors' report under Rule 12 of Companies (Management and Administration) Rules, 2014 has been omitted. Hence, from F.Y. 2020-21 onwards, there is no requirement to attach the Extract of Annual Return in Form No. MGT-9 with Directors' Report.

## **14. EXTENSION OF TIME FOR HOLDING OF AGM:**

The Due Date of the Annual General Meeting of the Company for the year 2020-21 was 30<sup>th</sup> September, 2021. However, due to the Covid-19 pandemic situation, the Registrar of Companies (RoC), for the State of Telangana vide its order dated 23<sup>rd</sup> September, 2021 has granted extension for a period of two months to all Companies to hold the Annual General Meeting from the due date by which the AGM ought to have been held in accordance with the provisions on Section 96 of the Companies Act, 2013. Hence, the 5<sup>th</sup> Annual General meeting of the company is being held on Wednesday, 24<sup>th</sup> November, 2021.

## **15. STATUTORY AUDITORS:**

The Members at the 1<sup>st</sup> Annual General Meeting of the Company held on 30<sup>th</sup> September, 2017, has appointed M/s Kommula & Co., Chartered Accountants, (Firm Registration No. 015628S and Membership No. 235872) having their office at Lavanya Nagar, Balkampet, Hyderabad – 500018 as the Statutory Auditors of the Company to hold office for a term of five years i.e., from the conclusion of the said Annual General Meeting until the conclusion of 6<sup>th</sup> Annual General Meeting of the Company to be held in the year 2022.

The Ministry of Corporate Affairs vide its Notification dated May 7, 2018 had dispensed with the requirement of ratification of Auditors' appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

**16. EXPLANATIONS OR COMMENT BY THE BOARD ON EVERY QUALIFICATIONS, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER:**

**(i) MADE BY AUDITOR IN THE AUDIT REPORT:**

- There are no qualifications, reservation or adverse remarks made by the Statutory Auditor in the Auditor's Report for the year under review.

**(ii) MADE BY THE COMPANY SECRETARY IN PRACTICE IN THE SECRETARIAL AUDIT REPORT:**

- The Provisions of section 204 (Secretarial audit) of the Companies Act, 2013 is not applicable to the Company during the financial year 2020-21.

**17. MAINTENANCE OF COST RECORDS:**

The Company does not fall under the category of Sec 148(1) of Companies Act, 2013 and hence such disclosure and maintenance of cost accounts/cost records is not applicable.

**18. REPORTING OF FRAUDS BY AUDITORS**

During the year under review statutory auditors has reported to the Board, under Section 143 (12) of the Act, no instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

**19. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:**

The Board has adopted a Risk Management Policy to identify various risks, implement measures to minimize impact of these risks where it is deemed necessary and possible, and a process to monitor them on a regular basis.

**20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The Company has not given any loans or guarantees or made any investment covered under the provisions of Section 186 of the Companies Act, 2013.

## **21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

The Company has entered transactions with related parties which are in the ordinary course of business and are detailed in Notes to Financial Statements. However, the transactions do not fall under the purview of the provisions of Section 188 of the Companies Act, 2013.

Apart from afore-mentioned, there were no other Related Party Transactions entered into by the Company with Promoters, Directors or other designated persons. Therefore, disclosure of Related Party Transactions in Form AOC-2 as per the provisions of Sections 134(3)(h) and 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

## **22. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

## **23. DIRECTORS' RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- a) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31<sup>st</sup> March, 2021 and of the profit and loss of the company for that year under review;
- c) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) That the directors had prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2021 on a going concern basis;

- e) That the directors had devised proper systems to ensure compliance with the provisions of all Applicable laws and that such system were adequate and operating effectively.

#### 24. DEPOSITS:

Your Company has not accepted any deposits from Public or Members during the year under review in terms of the provisions of Section 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules 2014 as amended from time to time.

#### 25. DECLARATION OF INDEPENDENT DIRECTORS:

The provision of Section 149 for appointment of Independent Directors does not apply to the Company.

#### 26. DISCLOSURES AS PER THE COMPANIES (ACCOUNTS) RULES, 2014:

S. No.	Particulars	Remarks
1.	Change in Nature of Business, if any	There has been no change in the nature of business of the Company during the year under review.
2.	Details of Directors / Key Managerial Personnel (KMP) who were appointed or have resigned during the Financial Year 2020-21	No Director has been appointed or resigned during the Financial Year 2020-21.
3.	Names of Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the Year	During the year under review, no company became or ceased to be a subsidiary, joint venture or associate of the Company.
4.	Details of Deposits covered under Chapter V of the Companies Act, 2013	<p>(i) Accepted during the year: Nil</p> <p>(ii) Remained unpaid or unclaimed during the year: Nil</p> <p>(iii) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and total amount involved:</p> <p>a. At the beginning of the year: Nil</p>



		b. Maximum during the year: Nil c. At the end of the year: Nil
5.	Details of Deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013	Nil
6.	Details of Significant and Material Orders passed by the Regulators or Courts or Tribunals, impacting the going concern status and the Company's operations in future	During the Financial Year 2020-21, there were no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future.
7.	Details in respect of Adequacy of Internal Financial Controls with reference to the Financial Statement	Your company has an Internal Financial Controls commensurate with the size and scale of its operations.

#### **27. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provisions of Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the Company for the year under review.

#### **28. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

#### **29. SECRETARIAL STANDARDS:**

During the year under review, the Company has duly complied with the applicable provisions of the revised Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).

#### **30. HUMAN RESOURCES:**

The manpower requirement of offices of the Company is assessed continuously. The Industrial relations of the Company continued to be harmonious during the year under review.

**31. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has a zero tolerance towards sexual harassment at the workplace and has a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment.

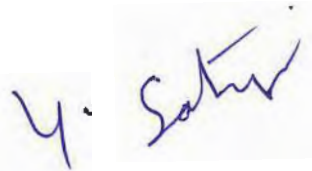
**32. ACKNOWLEDGEMENTS:**

Your Directors' take this opportunity to thank the shareholders, Bankers, Business Associates, Consultants, Employees, various Government Authorities for their consistent support to the Company. The Directors also wish to place on record their appreciation of the valuable services rendered by the executives, staff and workers of the Company.

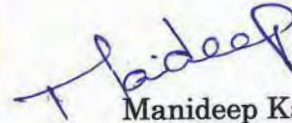
Date: 2<sup>nd</sup> November, 2021

Place: Hyderabad

For and on behalf of the Board of Directors  
Right Automobiles Private Limited



Satyapoorna Chander Yalamanchili  
Director  
(DIN: 00076393)



Manideep Katepalli  
Director  
(DIN: 07840019)



## Kammula & Co.

Chartered Accountants

Flat No 303, Bungalow No 14, Street No 2,  
Czech Colony, Sanathnagar, Hyderabad-18.  
Tel : 040-4853 8745, Cell : 96039 81369.

### INDEPENDENT AUDITOR'S REPORT

To the Members of RIGHT AUTOMOBILES PRIVATE LIMITED  
**Report on the Audit of the Financial Statements**

#### Opinion

We have audited the financial statements of RIGHT AUTOMOBILES PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2021, 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 significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with 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.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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



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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 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 it appears from our examination of those books
  - (c) As per the information obtained by us from the management there are no Branches of this Company.
  - (d) 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.
  - (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (f) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - (g) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with



respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i The Company does not have any pending litigations which would impact its financial position
  - ii The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For KOMMULA & CO  
Chartered Accountants  
(Firm Regn No: 015628S)

  
K.SATYANARAYANA  
Proprietor  
Mem No 235872



Date: 31.08.2021  
Place: Hyderabad

UDIN: 21235872AAAHD7308



**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of RIGHT AUTOMOBILES PRIVATE LIMITED ('the Company')**

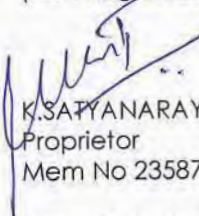
- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a phased programmed of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us there are no Land belonging to the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted unsecured loan to a company covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to information and explanations given to us, The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of any cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 under Section 148 (1) of the Companies Act, 2013.
- (vii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures
- (viii) In our opinion and according to the information and explanation given to us, the Company has not borrowed any Term Loans from Banks and Financial Institutions during



the year. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year

- (ix) To the best of our knowledge and belief, and according to the information and explanations given to us, and considering the size and nature of the Company's operations, no fraud by the Company and no fraud of material significance on the Company by its officers or employees has been noticed or reported during the year.
- (x) In our opinion and according to the information and explanations given to us, the Company has not paid/ provided any managerial remuneration during the year and also the immediately preceding previous year in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xi) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiii) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xv) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For KOMMULA & CO  
Chartered Accountants  
(Firm Regn No: 015628S)

  
K. SATYANARAYANA  
Proprietor  
Mem No 235872



Date: 31.08.2021  
Place: Hyderabad

UDIN: 21235872AAAHD7308



**RIGHT AUTOMOBILES PRIVATE LIMITED**

**BALANCE SHEET AS AT 31 MARCH 2021**

Particulars	Notes	Figures as at the end of Current Reporting Period 31.03.2021	Figures as at the end of Current Reporting Period 31.03.2020
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	2.1	1,00,00,000	1,00,00,000
(b) Reserves and Surplus	2.2	2,65,25,113	2,17,98,494
<b>2 Share application money pending allotment</b>			
		-	
<b>3 Non-Current Liabilities</b>			
(a) Long-term borrowings	2.3	4,10,72,253	1,63,80,961
(b) Deferred tax liabilities (Net)	2.4	-	1,22,479
<b>4 Current Liabilities</b>			
(a) Short-term borrowings	2.5	2,77,73,184	-
(b) Trade payables	2.6	73,84,204	8,16,338
(c) Other current liabilities	2.7	75,69,100	92,77,593
(d) Short-term provisions	2.8	12,85,984	7,70,169
<b>Total</b>		<b>12,16,09,839</b>	<b>5,91,66,033</b>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	2.9 A	1,53,79,965	36,08,942
(ii) Intangible assets	2.9 B	13,65,057	2,80,606
(iii) Capital Work In progress	2.10	2,76,25,155	
(b) Long term loans and advances		-	-
(c) Other Non-Current Assets		-	-
(d) Deferred tax Assets	2.11	9,411	-
<b>2 Current assets</b>			
(a) Inventories	2.12	3,31,99,278	4,23,83,494
(b) Trade receivables	2.13	1,77,74,523	74,58,139
(c) Cash and cash equivalents	2.14	18,26,822	4,71,196
(d) Short-term loans and advances	2.15	2,44,29,628	49,63,656
<b>SIGNIFICANT ACCOUNTING POLICIES</b>			
<b>Total</b>	1	<b>12,16,09,839</b>	<b>5,91,66,033</b>

The above financials are prepared based on information provided to us and subject to audit

For Kammula and Co  
Chartered Accountants  
(FRN : 0156285)

K.Satyanarayana  
M.No.235872  
UDIN: 21235872AAAAHD7308

Place: Hyderabad  
Date : 31.08.2021

For and on behalf of the Board of Directors  
RIGHT AUTOMOBILES PRIVATE LIMITED

Satya Poorna chander  
Director

Manideep  
Director

**RIGHT AUTOMOBILES PRIVATE LIMITED**

**PROFIT AND LOSS A/C FOR THE PERIOD OF 01.04.2020 TO 31.03.2021**

Particulars	Notes	Figures as at the end of Current Reporting Period 31.03.2021	Figures as at the end of Current Reporting Period 31.03.2020
I. Revenue from operations	2.16	22,72,25,641	10,58,19,724
II. Other Income	2.17	25,45,504	58,795
III. Total Revenue (I + II)		<b>22,97,71,145</b>	<b>10,58,78,519</b>
IV. Expenses:			
1. Cost of Material	2.18	18,57,57,540	12,69,16,238
2. Changes in inventories of finished goods, work -in-progress and Stock -in-Trade	2.19	91,84,216	(4,23,83,494)
3. Employee benefit expense	2.20	1,53,65,068	83,61,612
4. Financial costs	2.21	22,15,265	7,91,512
5. Depreciation and amortization expense	2.9	6,01,181	3,78,325
6. Other expenses	2.22	1,05,85,293	81,44,280
Total Expenses		<b>22,37,08,563</b>	<b>10,22,08,474</b>
V. Profit before exceptional and extraordinary items and tax (III - IV)		60,62,582	36,70,045
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		60,62,582	36,70,045
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		60,62,582	36,70,045
X. Tax expense:			
1. Current tax		12,85,984	7,70,169
2. Deferred tax		(1,31,890)	26,296
3. Taxes paid for earlier years		1,81,869	15,620
XI. Profit/(Loss) from the period from continuing operations		47,26,619	28,57,960
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations		-	-
XV. Profit/(Loss) for the period (XI + XIV)		47,26,619	28,57,960
XVI. Earning per equity share:			
1. Basic		4.73	2.86
2. Diluted		4.73	2.86

**SIGNIFICANT ACCOUNTING POLICIES**

The above financials are prepared based on information provided to us and subject to audit

For Kommula and Co  
Chartered Accountants  
(FRN : 015628S)

*K. Satyanarayana*  
K. Satyanarayana  
M.No.235872

UDIN: 21235872AAAHD7308

Place: Hyderabad

Date : 31.08.2021

For and on behalf of the Board of Directors  
RIGHT AUTOMOBILES PRIVATE LIMITED

*Satya Poorna chander*  
Satya Poorna chander  
Director



*Manideep*  
Manideep  
Director

**RIGHT AUTOMOBILES PRIVATE LIMITED**

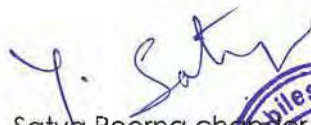
**Cash Flow Statement for the Period 01.04.2020 to 31.03.2021**

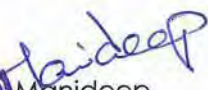

PARTICULARS	Notes	Figures as at the end of Current Reporting Period 31-03-2021	Figures as at the end of Previous Reporting Period 31-03.2020
<b>I. Cash From Operating Activities</b>			
<b>Net Profit before tax</b>		<b>60,62,582</b>	<b>36,70,045</b>
<b>Adjustments for</b>			
Depreciation / Amortization		6,01,181	3,78,325
Interest Expenses		22,15,265	7,91,512
Interest Income		-	-
<b>Operating Profit Before Working Capital changes</b>		<b>88,79,028</b>	<b>48,39,883</b>
<b>Adjustments for</b>			
(Increase)/Decrease in Inventories		91,84,216	(4,23,83,494)
(Increase)/Decrease in Trade Receivables		(1,03,16,384)	(55,53,701)
(Increase)/Decrease in Short Term Loans and Advances		(1,94,65,972)	37,11,523
(Increase)/Decrease in Long Term Loans and Advances		-	-
Increase/(Decrease) in Long Term Borrowings		2,46,91,292	1,63,80,961
Increase/(Decrease) in Short Term Borrowings		2,77,73,184	-
Increase/(Decrease) in Trade Payables		65,67,867	3,74,086
Increase/(Decrease) in Other Current Liabilities		(17,08,493)	(10,36,459)
<b>Cash generated from Operations</b>		<b>4,56,04,739</b>	<b>(2,36,67,202)</b>
Direct Taxes Paid		(9,52,038)	(15,620)
<b>Net Cash (used in) / from Operating Activities - I</b>		<b>4,46,52,701</b>	<b>(2,36,82,822)</b>
<b>II. Cash From Investing Activities:</b>			
Purchase of Fixed Assets / Capital Work-In-Progress		(4,10,81,809)	(18,97,400)
Interest Received		-	-
<b>Net Cash Used in Investing Activities - II</b>		<b>(4,10,81,809)</b>	<b>(18,97,400)</b>
<b>III. Cash From Financing Activities</b>			
Proceeds from issuance of share capital		-	69,71,113
Securities Premium Received		-	1,88,10,000
Interest Paid		(22,15,265)	(7,91,512)
<b>Net Cash Flow (used in) / from Financing Activities - III</b>		<b>(22,15,265)</b>	<b>2,49,89,600</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash equivalent ( I+II+III )</b>		<b>13,55,627</b>	<b>(5,90,621)</b>
<b>Reconciliation :</b>			
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>		4,71,196	10,61,816
Cash & Cash Equivalents at the end of the year		18,26,822	4,71,196
<b>Increase in Cash &amp; Cash equivalents at the end of the year</b>		<b>13,55,627</b>	<b>(5,90,621)</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	<b>1</b>		

As per our report of even date attached  
For Kommula and Co  
Chartered Accountants  
(FRN : 015628S)

  
  
 K.Satyanarayana  
M.No.235872

For and on behalf of the Board of Directors  
RIGHT AUTOMOBILES PRIVATE LIMITED

  
 Satya Poorna chander  
Director

  
  
 Manideep  
Director

Place: Hyderabad  
Date : 31.08.2021

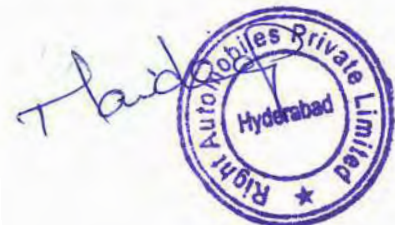
**RIGHT AUTOMOBILES PRIVATE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

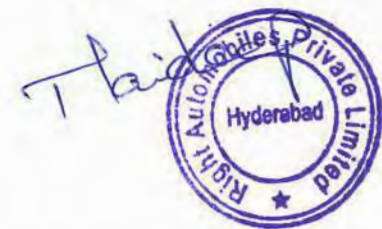
Note No	Particulars	As at 31.03.2021		As at 31.03.2020	
2.1	<b>(i) Share Capital</b>				
	<b>a) Authorised Share Capital</b> 10,00,000 Equity Shares of Rs. 10/- each	1,00,00,000		1,00,00,000	
	<b>b) Issued, subscribed &amp; fully paid share capital</b> 10,00,000 Equity Shares of Rs. 10/- each	1,00,00,000		1,00,00,000	
	<b>Total</b>	<b>1,00,00,000</b>		<b>1,00,00,000</b>	
	<b>(ii) Reconciliation of the number of shares outstanding at the beginning and end of the reporting period</b>				
		31.03.2021		31.03.2020	
	Particulars	No of Shares	Amount	No of Shares	Amount
	<b>a) Equity Shares</b>				
	Shares Outstanding at the Beginning of the Year	10,00,000	1,00,00,000	10,000	1,00,000
	Add: Shares Issued During the Period	-	-	9,90,000	99,00,000
Less: Shares Redeemed/ Bought Back During the Period	-	-	-	-	
Shares Outstanding at the End of the Period	10,00,000	1,00,00,000	10,00,000	1,00,00,000	
<b>(iii) Details of shareholders holding more than 5% in the company:</b>					
	31.03.2021		31.03.2020		
Name of the Shareholder	No of Shares Held	%	No of Shares Held	%	
i) Mr.Satyapoorna Chander Yalamanchili	9,50,000	95%	9,50,000	95%	
ii) Mr. Manideep K	50,000	5%	50,000	5%	
<b>2.2</b>	<b>Reserves and Surplus</b>				
	<b>a) General Reserve</b>				
	Opening Balance	29,88,494	1,30,534		
	Add : Profit / (Loss) For the year	47,26,619	28,57,960		
	Closing Balance	<b>77,15,113</b>	<b>29,88,494</b>		
	<b>b) Securities Premium</b>				
	Opening Balance	1,88,10,000	-		
	Add : Issued For the year	-	1,88,10,000		
	Closing Balance	<b>1,88,10,000</b>	<b>1,88,10,000</b>		
	<b>Total Reserves</b>	<b>2,65,25,113</b>	<b>2,17,98,494</b>		
<b>2.3</b>	<b>Long - Term borrowings</b>				
	<b>Secured Loans</b>				
	Deferred payment liabilities -HDFC Bank Loans (Refer Note 1)	82,75,263	7,41,762		
	<b>Unsecured Loans</b>				
	Deferred payment liabilities -Business Loans (Refer Note 2)	61,74,132	14,08,326		
	<b>Loans and advances from related parties</b>				
	i) Satya Poorna Chander Yalamanchili - (Refer Note 3)	39,73,446	1,42,30,873		
	ii) Inter Corporate Deposits - ((Refer Note 4)	2,26,49,411	-		
	<b>Total</b>	<b>4,10,72,253</b>	<b>1,63,80,961</b>		
	Note 1 : Deferred Payment liabilities are vehicle and business term loans availed from HDFC Bank and guarantees given by the Directors personal capacities which carries rate of interest at 12% per annum				



Note No	Particulars	As at 31.03.2021	As at 31.03.2020
2.4	<b>Deferred Tax Liabilities (Net)</b> Opening Balance Add: Deferred Tax Assets (i) On account of difference between book and tax depreciation  Closing Balance	- - - -	98,951 23,528 <b>1,22,479</b>
2.5	<b>Short-terms borrowings</b> Secured  State Bank of India (Refer Note 3)	2,77,73,184	-
	<b>Total</b>	<b>2,77,73,184</b>	-
	Note 3 : Deferred Payment liabilities are vehicle and business term loans availed from HDFC Bank and guarantees given by the Directors personal capacities which carries rate of interest at 12% per annum		
2.6	<b>Trade Payables</b> Creditors for expenses	73,84,204	8,16,338
	<b>Total</b>	<b>73,84,204</b>	<b>8,16,338</b>
2.7	<b>Other current liabilities</b> Current maturities of long term debt TDS Payable Salaries Payable GST Payable Others	47,84,196 13,54,435 11,27,430 - 3,03,040	11,79,325 3,87,805 7,14,950 11,56,043 58,39,471
	<b>Total</b>	<b>75,69,100</b>	<b>92,77,593</b>
2.8	<b>Short-term provisions</b> Provision for Income tax	12,85,984	7,70,169
	<b>Total</b>	<b>12,85,984</b>	<b>7,70,169</b>
2.9	<b>(A) Tangible Assets</b> Opening Balance Add: acquisition during the year <b>Sub total</b>  Less: Disposals Gross Block at year end (a) Less: Depreciation Opening Depreciation Depreciation for the year Less : Accumulated depreciation on sale of assets Total accumulated depreciation (b) Net carrying value (a) - (b)	42,51,563 1,21,93,871 1,64,45,434 <b>1,64,45,434</b>  6,42,621 4,22,848 - 10,65,469 1,53,79,965	23,54,163 18,97,400 42,51,563 <b>42,51,563</b>  3,46,349 2,96,272 - 6,42,621 36,08,942
	<b>Total</b>	<b>1,53,79,965</b>	<b>36,08,942</b>
2.9	<b>(B) Intangible assets</b> Opening Balance Add: acquisition during the year <b>Sub total</b>  Less: Disposals Gross Block at year end (a) Less: Depreciation Opening Depreciation Depreciation for the year Less : Accumulated depreciation on sale of assets Total accumulated depreciation (b) Net carrying value (a) - (b)	5,18,229 12,62,783 17,81,012 <b>17,81,012</b>  2,37,623 1,78,333 - 4,15,955 13,65,057	5,18,229 - 5,18,229 <b>5,18,229</b>  1,55,570 82,053 - 2,37,623 2,80,606
	<b>Total</b>	<b>13,65,057</b>	<b>2,80,606</b>



Note No	Particulars	As at 31.03.2021	As at 31.03.2020
2.10	<b>Capital Work-In-progress</b> Carrying amount at the beginning of the year Additions during the year - Tangible Additions during the year - Intangible Capitalised during the year <b>Carrying amount at the end of the year</b>	- 27,11,850 2,49,13,305 - <b>2,76,25,155</b>	- - - - -
2.11	<b>Deferred Tax Assets (Net)</b> Opening Balance Add: Deferred Tax Assets (i) On account of difference between book and tax depreciation Closing Balance	(1,22,479) - 1,31,890 - <b>9,411</b>	- - - - -
2.12	<b>Note 2.7: Inventories (At lower of cost and net realisable value)</b>  Trading Goods	  <b>3,31,99,278</b>  <b>3,31,99,278</b>	  -  -
2.13	<b>Trade receivables</b> <b>Sundry Debtors</b> (a) Outstanding for over 6 months from the due date of payment (b) Others	- 1,77,74,523 -	- 74,58,139 -
<b>Total</b>		<b>1,77,74,523</b>	<b>74,58,139</b>
2.14	<b>Cash and cash equivalents</b> Balances with banks Cash on Hand	14,86,678 3,40,145 <b>18,26,822</b>	38,113 4,33,083 <b>4,71,196</b>
2.15	<b>Short term loans and advances</b>  Deposits Advances MAT Credit Receivable Prepaid Expenses GST Input TDS and TCS Receivable Advance for Expenses <b>Total</b>	55,40,500 1,48,27,348 - 2,90,948 7,11,162 1,43,475 29,16,196 <b>2,44,29,628</b>	23,50,500 23,22,969 2,15,604 - - 44,583 30,000 <b>49,63,656</b>
2.16	<b>Revenue from Operations</b>  Revenue from - Sales of Services  <b>Total</b>	  22,72,25,641  <b>22,72,25,641</b>	  10,58,19,724  <b>10,58,19,724</b>



Note No	Particulars	As at 31.03.2021	As at 31.03.2020
2.17	<b>Other Income</b>		
	Forfeited Income	6,55,589	58,795
	Sales Commission	9,53,140	-
	Other Income	9,36,774	-
	<b>Total</b>	<b>25,45,504</b>	<b>58,795</b>
2.18	<b>Cost of Material</b>		
	Purchase of Cars	17,72,34,768	12,69,16,238
	Fabrication Charges Paid	72,94,264	-
	Other Direct Expenses	12,28,508	-
	<b>Total</b>	<b>18,57,57,540</b>	<b>12,69,16,238</b>
2.19	<b>Changes in Stock in Trade</b>		
	Opening Stock	4,23,83,494	-
	Closing Stock	3,31,99,278	4,23,83,494
	<b>Total</b>	<b>91,64,216</b>	<b>(4,23,83,494)</b>
2.20	<b>Employee Benefits Expense</b>		
	Salaries and Bonus	1,25,12,754	45,40,250
	Incentives	4,24,639	5,74,062
	Directors Remuneration	24,00,000	32,40,000
	Staff welfare expenses	27,675	7,300
	<b>Total</b>	<b>1,53,65,068</b>	<b>83,61,612</b>
2.21	<b>Finance expenses</b>		
	Interest on Loans	16,51,653	6,56,101
	Loan Processing Charges	5,63,612	1,35,411
	<b>Total</b>	<b>22,15,265</b>	<b>7,91,512</b>
2.22	<b>Other Expenses</b>		
	<b>Payments to Auditor</b>		
	a) As a auditor	2,00,000	1,00,000
	b) Other Services	-	-
	Advertisement Charges	28,83,752	9,20,151
	House Keeping Charges	-	9,11,947
	Insurance	2,44,186	38,498
	Conveyance	-	22,057
	Printing & Stationery	1,91,505	21,500
	Rent	-	1,47,000
	Telephone & Internet Charges	2,37,688	2,06,790
	Petrol & Diesel Charges	-	1,51,904
	Office Maintenance	10,05,510	2,04,196
	Freight Charges	-	1,00,590
	Repairs & Maintenance	1,57,945	23,22,846
	Electricity Charges	2,70,730	2,11,103
	Rates & Taxes	2,44,650	4,19,274
	Bank Charges	92,778	25,738
	Consultancy Charges	4,13,375	25,000
	Loss on own vehicles	-	1,39,700
	GST ON OWN VEHICLES	44,49,196	20,31,595
	Misc expenses	1,27,879	59,630
	Courier & Postage Charges	4,620	-
	Legal Charges	61,480	-
	Discount Given	-	84,762
	<b>Total</b>	<b>1,05,85,293</b>	<b>81,44,280</b>



**RIGHT AUTOMOBILES PVT LTD**

**NOTE 2.7**

**FIXED ASSETS & DEPRECIATION ACCORDING TO COMPANIES ACT**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS ON 01.04.2020	ADDITIONS	AS ON 31.03.2021	AS ON 01.04.2020	FOR THE YEAR	AS ON 31.03.2021	AS ON 31.03.2021	AS ON 31.03.2020
<b>TANGIBLE ASSETS</b>								
BUILDING	13,25,488	-	13,25,488	63,662	20,987	84,649	12,40,839	12,61,826
ELECTRICAL EQUIPMENT	4,98,322	-	4,98,322	1,43,254	47,341	1,90,595	3,07,727	3,55,068
COMPUTERS	2,17,633	1,43,621	3,61,254	1,79,371	15,791	1,95,162	1,66,092	38,262
VEHICLES	19,80,000	1,15,66,000	1,35,46,000	1,87,198	2,94,104	4,81,302	1,30,64,698	17,92,802
AIR CONDITIONER	60,800	-	60,800	34,858	11,552	46,410	14,390	25,942
OFFICE EQUIPMENT	52,100	78,250	1,30,350	9,292	16,521	25,813	1,04,537	42,808
OFFICE FURNITURE	1,17,220	4,06,000	5,23,220	24,986	16,553	41,538	4,81,682	92,234
<b>TOTAL</b>	<b>42,51,563</b>	<b>1,21,93,871</b>	<b>1,64,45,434</b>	<b>6,42,622</b>	<b>4,22,848</b>	<b>10,65,470</b>	<b>1,53,79,964</b>	<b>36,08,941</b>
<b>INTANGIBLE ASSETS</b>								
SOFTWARE	5,18,229	12,62,783	17,81,012	2,37,623	1,78,333	4,15,956	13,65,057	2,80,606
<b>TOTAL</b>	<b>5,18,229</b>	<b>12,62,783</b>	<b>17,81,012</b>	<b>2,37,623</b>	<b>1,78,333</b>	<b>4,15,956</b>	<b>13,65,057</b>	<b>2,80,606</b>
<b>GRAND TOTAL</b>	<b>47,69,792</b>	<b>1,34,56,654</b>	<b>1,82,26,446</b>	<b>8,80,244</b>	<b>6,01,181</b>	<b>14,81,425</b>	<b>1,67,45,021</b>	<b>38,89,548</b>





RIGHT AUTOMOBILES PVT LTD

DEPRECIATION AS PER INCOME TAX ACT FOR THE YEAR OF 2020-21

**FIXED ASSETS**

NAME OF THE ASSET	%	AS ON 01.04.2020	ADDITIONS FOR THE YEAR		AS ON 31.03.2021	DEPRECIATION FOR THE YEAR	AS ON 31.03.2021
			BEFORE SEP	AFTER SEP			
BUILDING	10.00%	9,21,466	-	-	9,21,466	92,147	8,29,320
ELECTRICAL EQUIPMENTS	10.00%	3,46,349	-	-	3,46,349	34,635	3,11,714
COMPUTERS	40.00%	82,370	-	1,43,621	2,25,991	61,672	1,64,319
VEHICLE-ALTO-CAR	15.00%	34,38,240	-	1,15,66,000	1,50,04,240	13,83,186	1,36,21,054
AIR CONDITIONER	10.00%	42,107	-	-	42,107	4,211	37,896
OFFICE EQUIPMENT	10.00%	80,494	34,322	43,928	1,58,744	13,678	1,45,066
OFFICE FURNITURE	10.00%	1,21,984	-	4,06,000	5,27,984	32,498	4,95,486
SOFTWARE	25.00%	2,18,628	7,00,847	5,61,936	14,81,411	3,00,111	11,81,300
		52,51,638	7,35,169	1,27,21,485	1,87,08,292	19,22,138	1,67,86,154



## **A. STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES**

**Note - 1**

### **1.1 Corporate Information**

**RIGHT AUTOMOBILES PRIVATE LIMITED** is primarily engaged in the Re-Sale of Second hand Cars

### **1.2 Basis of presentation 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 section 133 of the Companies Act 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

### **1.3 Use of Accounting Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### **1.4 Inventories**

- a) Inventories are valued at the lower of Cost or Net Realisable Value. Cost of Inventories includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- b) Work in progress is valued at lower of cost and net realizable value. Cost for this purpose includes Direct Labour and appropriate production overheads.

### **1.5 Depreciation**

in respect of fixed assets acquired during the year, depreciation / amortisation is charged on a straightline basis so as to write-off the cost of the assets over the useful lives

## **1.6 Revenue recognition**

- a. Income and expenditure are accounted on a going concern basis.
- b. The company has revenue from Re-Sale of Second hand Cars.
- c. The Company has accounted for the interest on time basis
- d. The Company has no royalty and dividend income.

## **1.7 Fixed Assets.**

- a) Fixed assets are stated at cost, less accumulated depreciation / amortization. Costs include all expenses incurred to bring the asset to its present location and condition.
- b) Fixed assets acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

## **1.8 Accounting for effects in foreign exchange rates**

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction.

## **1.9 Accounting for Retirement benefits**

- a. Contributions to Provident fund are recognized and expensed on accrual basis.
- b. Contributions to gratuity and superannuation fund are not made and shall be payable as and when the liability arises.

## **1.10 Borrowing cost**

Borrowing costs that are directly attributable to acquisition, construction of a qualifying asset are capitalised as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

## **1.11 Earnings per Share**

The basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year. The diluted earnings per share is calculated by dividing the profit after tax for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

## 1.12 Accounting for taxes on income

- a) **Current Tax** :Provision for current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961.
- b) **Deferred tax**: Deferred tax is accounted for by computing the tax effect of timing difference which arises during the year and reverse in subsequent periods. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Other deferred tax assets are recognized and carried forward 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. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

## 1.13 Impairment of Assets

The carrying amount of assets, other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow discounted to their present values. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

## 1.14 Provisions and Contingencies

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but disclosed in the notes when there is a possible obligation or present obligations that may, but probably will not require an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements.

### 3. NOTES FORMING PART OF ACCOUNTS

3.1 There are no dues to Small Scale Industrial Undertakings to whom an amount of Rs. 1.00 lac outstanding for more than 30 days as on the date of the Balance Sheet.

3.2 Segment Reporting: The Company has only one business Re-Sale of Secund hand Cars. here are no secondary segments

3.3 The Audit fee Provided during the year was Rs. 2,00,000/- (Exclusive of tax) for audit and as compared to Rs. 1,00,000/- in the preceding financial year 2019-20.

3.4 The remuneration paid to the Directors during the year under review is 24,00,000/- as compared to Rs. 32,40,000/- in the preceding financial year 2019-20.

3.5 Related Party Transactions : A) List of related parties and relationships

- i) Mr. Mr.Satyapoorna Chander – Director
- ii) M/s. Mint Mobility Services Pvt Ltd – Associate Company

Particulars	Nature of Transaction	Amount
Mr. Satyapoorna Chander	Director Remuneration	24,00,000/-
Mr. Satyapoorna Chander	Unsecured Loan	39,73,446/-
M/s. Mint Mobility Services Pvt Ltd	Other Liabilities	38,57,689/-

3.6 The Company has entered to new business segment of "Electric car retrofitting" and in this context The company have hired M/s Tanishq Consultancy Private Limited as our "Technical Consultant" with the aim to grab vast opportunity thrown by the initiatives in " Electric car retrofitting ".

3.7 The previous year's figures are regrouped to confirm with the presentation of accounts wherever necessary. Schedules 2.1 to 2.22 form integral part of the Balance Sheet.

**Vide our report of even date attached.**

**For and on behalf of the Company.**

For Kommula & Co  
Chartered Accountants

For RIGHT AUTOMOBILES PRIVATE LIMITED

  
K. Satyanarayana  
Mem.No. 235872/FRN 0156285



Place: Hyderabad  
Date :31.08.2021

  
Haideep  
Director  
  
Satish  
Director

