



ANNUAL REPORT

2020-2021



**"Perfect commissions first ever SOL Thermal
Air Conditioning system with VRF at Navi Mumbai Factory."**



SOL THERMAL
HYBRID CLIMATE SYSTEMS

CORPORATE INFORMATION

REGISTERED OFFICE	R 637 TTC Industrial Area MIDC Rabale, Navi Mumbai 400 701	
DIRECTORS	Mr. Arun Kumar Singh Mr. Krishna Nimesh Mehta Mr. Parth Nimesh Mehta Mrs. Gurinder Kaur Mr. Rakesh Chauhan	KEY MANAGERIAL PERSONNELS
AUDIT COMMITTEE	Mr. Arun Kumar Singh Mr. Parth Nimesh Mehta Mrs. Gurinder Kaur Mrs. Manisha Mehta	CHIEF EXECUTIVE OFFICER Mr. Nimesh Mehta CHIEF FINANCIAL OFFICER Mr. Manisha Mehta COMPANY SECRETARY *Ms.Zainab Chanki EXECUTIVE DIRECTOR **Mr. Krishna Mehta
NOMINATION AND REMUNERATION COMMITTEE	Mr. Arun Kumar Singh Mr. Parth Nimesh Mehta Mrs. Gurinder Kaur	
STAKEHOLDER RELATIONSHIP COMMITTEE	Mr. Arun Kumar Singh Mrs. Gurinder Kaur Mrs. Manisha Mehta	REGISTRAR AND TRANSFER AGENTS
AUDITORS INTERNAL AUDITORS	M/s JCR & Co, Chartered Accountant, Mumbai M/s Thacker Butala Desai, Chartered Accountant, Mumbai	KFin Technologies Private Limited, Karvy Selenium Tower B , Plot number 31 & 32, Financial District Gachibowli, Hyderabad – 500 032

*Mr. Pravesh Palod has resigned from the position of Company Secretary w.e.f. October 17, 2020 and Ms. Zainab Chanki has been appointed as Company Secretary of the company

** Mr. Krishna Mehta has been appointed in the board of the Company with effect from March 12, 2021

DIRECTOR'S REPORT

Your Directors take pleasure in presenting the 25th Annual Report together with the Audited Financial Statements for the Financial Year ended March 31, 2021. The consolidated performance of the Company and its subsidiaries has been referred to wherever required however the report is based on standalone financial statements only.

1. FINANCIAL RESULTS

Particulars	Standalone		Consolidated	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Total Income (I)	3,56,16,446	5,50,49,792	3,72,99,207	5,10,79,701
Less: Expenditure	2,99,66,065	4,99,50,130	3,08,63,927	4,39,54,457
Less: Depreciation	45,70,136	48,01,822	50,30,120	53,39,657
Total Expenditure (II)	3,45,36,201	5,47,51,952	3,58,94,047	4,92,94,114
Profit Before Tax (PBT) (I-II)	10,80,245	2,97,840	14,05,160	17,85,587
Less: Tax expenses	27,57,370	-57,050	31,32,424	-1,82,863
Profit After Tax (PAT)	(16,77,125)	3,54,890	(17,27,264)	19,68,450

On a Standalone basis:

During the financial year under review, on a standalone basis, the Company recorded revenue of Rs. 3.5 Cr as against Rs. 5.5 Cr in the previous year. The Company incurred a loss of Rs. 1,677,125 as compared to 3.54 Lacs profit in the previous year.

On a consolidated basis:

The company's revenue is at Rs. 3.72 Cr as against Rs. 5.10 Cr in the previous year and net loss amounted to Rs. 17.27 lakhs as compared to profit of Rs. 19.68 lakhs in the previous year.

2. NATURE OF BUSINESS

The Company is into Manufacturing and MEP contracting and there has been no change in the nature of business during the year under review.

3. TRANSFER TO RESERVE

Considering the loss incurred in the financial year under review, the Board has not recommended any amount to transfer to General Reserve.

4. DIVIDEND

The Board of Directors does not recommend any dividend as the Company could not make any profits in the financial year.

5. SHARE CAPITAL

The paid-up share capital of the Company is Rs. 11,06,37,780/- divided into 1,10,63,778 equity shares of Rs. 10/- each as on March 31, 2021. Your Company has come out with Preferential issue of 10,00,000 equity shares of face value of Rs. 10 each fully paid at a price of Rs. 26.79 to SunTrac Solar Manufacturing LLC, USA during the year.

6. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES:

In accordance with the provisions of Companies Act, 2013 ("the Act"), SEBI (LODR) Regulations, 2015 and Accounting Standard (AS) - 21 on Consolidated Financial Statements, the audited consolidated financial statements form part of the Annual Report.

The Audited Financial Statements of the subsidiary is also available on the website of the Company www.perfectinfra.com. As on 31st March, 2021, the Company has 1 subsidiary. The Company does not have any Associate Company pursuant to the provisions of the Companies Act, 2013.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014, the salient features of financial position of subsidiary is given in Form AOC-1 annexed as "Annexure 1" to this Report. The Company has framed a policy for determining material transaction with subsidiary.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not granted any loan or guarantee in connection with the loan during the year under review. The details of non-current investment are provided in Note No. 13 of the Standalone Financial Statements.

8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions entered during the financial year under review were on an arm's length basis and in the ordinary course of business. There were no transactions for which consent of the Board of Directors were required to be taken. As prescribed by Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of contracts/arrangements with Related Parties are given in Form AOC-2, annexed as "Annexure 2" to this Report.

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, related party transactions were approved by the Audit Committee and the same have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with the relevant accounting standards.

The policy on Related Party Transactions has been uploaded on the Company's website.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

A) CONSERVATION OF ENERGY

i. Steps taken or impact on Conservation of Energy

- Ensuring optimum utilization of energy and maximum possible savings of energy.
- Avoiding any known wastages of energy by monitoring and reviewing energy usage.

ii. Steps taken by the Company for utilising alternate sources of energy

- Similar to last year your Company has continued with maximum use of natural light in the factory and conserving electrical energy.

iii. Capital Investments on energy conservation equipment

- The Company has installed in its factory, adjacent training centre and office with inhouse Solar Thermal Climate System. It saves 50% of Air Conditioning electricity bill.

B) RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

Your Company is committed to introducing new products and improving existing products to have better performance levels. Your Company and its collaborator Suntrac Solar Manufacturing LLC, USA have tied hands to take forward the innovative technology product in Air conditioning further across the globe.

The second-generation advanced innovative hybrid panel is tested at various benchmark sites. This second generation panel comes with IoT compatibility which will enable the panel to send real-time information on electrical savings.

Improved technical productivity through new methodologies and technologies, is being continuously pursued to reduce the costs associated with new product development and customer support.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Payments in foreign currency towards Imports:

Imports at CIF Value	2020-21	2019-20
Raw Materials and Traded goods	-	-
Capital Goods	-	-

Payments in foreign currency towards Expenditure:

Imports at CIF Value	2020-21	2019-20
Technical know-how fees (WIP)	-	3,56,76,345
Capital Goods	-	-
Travelling Expenses	-	5,44,694

Earnings in foreign currency on Accrual basis:

Earnings in foreign currency	2020-21	2019-20
Exports – Products	-	19,82,405
Exports – Services	-	-

Net Gain or Loss on Foreign Currency Translation

Description	2020-21	2019-20
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Profit on Foreign Currency Translation	-	-
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10. ANNUAL RETURN:

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the 96 Annual Return as at March 31, 2021 on its website at <http://www.perfectinfra.com>. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's report.

11. RISK MANAGEMENT:

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities. As a process, the risks associated with the business are identified and prioritized based on severity, likelihood and effectiveness of current detection. Such risks are reviewed by the senior management on a regular basis.

12. INTERNAL FINANCIAL CONTROLS WITH RESPECT TO THE FINANCIAL STATEMENTS:

The Company maintains adequate internal control system and procedures commensurate with its size and nature of operations. The internal control systems are designed to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorization of transactions, safeguarding the assets of the Company and prevent misuse/ losses and legal compliances. The Internal Audit reports are periodically reviewed by the management and necessary improvements are undertaken, if required.

13. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has a 'Vigil Mechanism Policy' which inter alia provides adequate safeguards against victimization of persons who may blow the whistle. Vigil Mechanism Policy may be accessed on the Company's website www.perfectinfra.com.

14. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state that:

- In the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- Such accounting policies as mentioned in the notes to the Financial Statements for the year ended March 31, 2021 have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021;

- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual financial statements for the year ended March 31, 2021 have been prepared on a going concern basis;
- Internal financial controls to be followed by the Company have been laid down and that the said financial controls were adequate and were operating effectively;
- Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and are operating effectively.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Composition of the Board of Directors:

Appointment and Re-appointment

During the year, Mr. Rakesh Chauhan was appointed as an Additional Independent Director and Mr. Krishna Mehta was appointed as an Additional Executive Director in the Board Meeting held respectively on November 14, 2020 and March 12, 2021. Further, the appointment of Mr. Arun Kumar Singh, Ms. Gurinderkaur Tapindersingh Multani, Mr. Rakesh Chauhan, and Mr. Bhanu Pratap Singh was regularised in the AGM held on December 21, 2020.

Cessation of the Directors

During the year, Mr. Bhanu Pratap Singh (DIN: 07182170) resigned as Director with effect from February 01, 2021.

Appointment of Key Managerial Personnel

During the year, Mr. Pravesh Palod resigned as the Company Secretary of the Company w.e.f. October 17, 2020 and Ms. Zainab Chanki (ACS: 63675) was appointed as Whole-Time Company Secretary in the Board Meeting held on November 14, 2020.

b. Committees of the Board:

The Board of Directors have constituted following Committees in order to effectively cater its duties towards diversified role under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: -

- Audit Committee;
- Stakeholders Relationship Committee;
- Nomination and Remuneration Committee;

c. Policy on Directors' Appointment and Remuneration:

The Policy of the Company on Director's Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of the directors and other matters provided under Section 178(3) of the Companies Act, 2013, adopted by the Board is available on www.perfectinfra.com. The remuneration paid to the Directors is as per the terms laid down in the Nomination and Remuneration Policy of the Company.

d. Board Performance Evaluation Mechanism:

Pursuant to the provisions and based on the criteria specified in the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of individual Directors, Chairman of the Board, the Board as a whole and its statutory Committees. Details of the evaluation mechanism is as follows:

A meeting of the Independent Directors was held wherein performance of Non-Independent Directors, Chairman of the Board and of the entire Board was evaluated.

The entire Board met to discuss the findings of the evaluation with the Independent Directors. The Board then evaluated the performance of the Individual Directors, the Board as a whole and the Committees of the Board.

On completion of the above process, individual feedback was shared with each Director.

The Directors were satisfied with the outcome of the Board effectiveness and have expressed their satisfaction with the assessment process.

e. Familiarization Programme for Independent Directors:

During the year, the Management had a one-to-one discussion with the newly appointed Independent Directors to have a better insight of the Company. The CEO and CFO has given details of initiatives for the Director to understand the Company, its business and the regulatory framework in which the Company operates and equip him/ her to effectively fulfil his/ her role as a Director of the Company.

f. Declarations from Independent Directors:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and adherence to Schedule IV of the Companies Act, 2013. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

16. NUMBER OF BOARD MEETINGS:

During the year under review, 4 (four) Meetings of the Board of Directors of the Company were held viz on August 07, 2020, September 19, 2020, November 14, 2020, & March 12, 2021.

17. PARTICULARS OF EMPLOYEES:

The details in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014, for the year ended 31st March, 2021, are given in “**Annexure 3**” to this Report.

18. AUDITORS:

STATUTORY AUDITORS:

At the 23rd Annual General Meeting of the Company held on September 27, 2018. M/s. JCR and Co., Chartered Accountants, (Firm Registration No. 105270W) were appointed as Statutory Auditors of the Company to hold office till the conclusion of Sixth Annual General Meeting. In terms of Section 139(1) of the Companies Act, 2013, the appointment of statutory auditors does not require ratification by the shareholders in Annual General Meeting.

AUDITORS’ REPORT:

The Auditors’ Report on standalone and consolidated financial statements forms part of the Annual Report. The following are the qualifications, reservations, adverse remarks mentioned in the Auditors’ Report and management reply against the same:

Sr. No.	Auditors Qualification /reservation /adverse remark /disclaimer	Managements Reply
Qualifications		
1.	NA	NA
Other Comments		
1.	Company has many slow-moving items in inventory	Company is redesigning and remodelling its product hence there are slow moving items.
2.	Internal Audit reports for year ended were not available till our reporting	The report was delayed due to lockdown restriction and limited staff at the Auditors place. However, we have received the report now and there were no qualifications or adverse remark in the same.
3.	Negotiation of existing facility with Technology Development Board (TDB)	The Company has received part amount of the sanctioned facility from TDB. Considering the circumstances and completion of issue of shares to its foreign collaborator, the Company does not require further facility from TDB and is thus in discussion for revising the repayment terms. This will impact the liquidity of the Company

		however the management is positive in making the repayments on time.
4.	Reversal of Professional Tax Liability	Excess provision written off
5.	Asset tagging needs to be done as part of improvement and demarcation	The management will try to implement the asset tagging.
Auditors Comment on Internal Financial Control		
1.	The control mechanism in respect of recording of transactions needs improvement.	The management is looking out for ways in which the recording of transactions can be improved.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment for the time being in force)

SECRETARIAL AUDITOR:

M/s. Nilesh A. Pradhan & Co. LLP, Practising Company Secretaries was appointed to conduct the Secretarial Audit of the Company for the Financial Year 2020-2021 as required under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in Form MR-3 for the F.Y. 2020-21 is appended as “**Annexure 4**” to this Report. The following are the qualifications, reservations, adverse remarks mentioned in the Secretarial Audit Report and management reply against the same:

Sr. No.	Secretarial Auditors Qualification /reservation /adverse remark /disclaimer	Managements Reply
1.	There was delay in filing many forms as required to be filed under Companies Act, 2013 with MCA	The delay was mainly due to Covid Situation and nationwide lockdown wherein we were trying to adopt the work from home structure. We will try to file the forms on time from this year
2.	Delay in submission of financial results as required under Regulation 33(3)(d) of the Securities and Exchange Board of India (LODR) Regulations, 2015 for the year ended 31st March, 2020	Due to Nationwide lockdown considering the grave Covid situation, the preparation of financials and its audit was delayed by the Company. Further, due to heavy rains in August, 2020, the Company's server crashed resulting in loss of entire data which further made it difficult to comply with the timelines.

19. MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT:

The Management Discussion and Analysis Report which forms part of this Report and is appended as “Annexure 5”.

20. SECRETARIAL STANDARDS:

The Company is in compliance with the 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.

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

In order to prevent sexual harassment of women at workplace, the Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to look into complaints relating to sexual harassment at workplace of any woman employee. During the year under review, the Company has not received any complaint under the said policy.

22. MATERIAL CHANGES AND COMMITMENTS OCCURRED DURING APRIL 01, 2021 TILL THE DATE OF THIS REPORT WHICH WOULD AFFECT THE FINANCIAL POSITION OF YOUR COMPANY:

Except for the impact on operations of the Company due to strict restrictions imposed by the State Government considering the rise in COVID cases which resulted in halt of manufacturing facilities of the Company there were no material changes and commitments occurred during April 01, 2021 till the date of this report which would affect the financial position of your company

23. SIGNIFICANT OR MATERIAL ORDERS WERE PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS WHICH IMPACT THE GOING CONCERN STATUS AND COMPANY’S OPERATIONS.

No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and company’s operations. However, your Company was penalized for non-compliance/delay in compliance with certain provisions of the of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

24. DEPOSITS:

There were no outstanding deposits within the meaning of Sections 73 and 74 of the Act, read together with the Companies (Acceptance of Deposits) Rules, 2014, at the end of the financial year 2020-21. Your Company did not accept any deposits during FY2020-21.

The following are the details of loan given by the Directors of the Company:

Sr. No.	Name of the Director from who has given loan	Amount (Rs.)
1.	Ms. Manisha Mehta	12,02,982
	Total	12,02,982

25. COST RECORDS:

The provisions with respect to maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company.

26. CORPORATE SOCIAL RESPONSIBILITY:

Provision of Section 135 of the Companies Act, 2013 are not applicable to your Company, thus constitution of CSR Committee, development of policy and contribution towards CSR is not required.

27. GENERAL DISCLOSURE:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise;
- b. Issue of sweat equity shares by the Company to its employees;
- c. Issue of shares under scheme of ESOP and ESPS to its employees.

28. ACKNOWLEDGEMENT:

Your directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government authorities, customers, vendors and members during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and associates.

FOR PERFECT INFRAENGINEERS LIMITED

Parth Mehta
Director
08458118

Arun Kumar Singh
Director
07509685

Date: August 12, 2021

Place: Mumbai

FORM AOC-1

Statement Containing Salient Features of the Financial Statement of Subsidiaries/Associate Companies/Joint Venture

Part A: Subsidiaries

S. No	Particulars	Details
1	Name of the subsidiary	Perfect Control Panels Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR
4	Share capital	1,00,06,000
5	Reserves & Surplus	(356,296)
6	Total assets	24,928,450
7	Total Liabilities	24,928,450
8	Investments	495,000
9	Turnover	7,023,144
10	Profit before taxation	61,999
11	Provision for taxation	317,213
12	Profit after taxation	(255,214)
13	Proposed Dividend	NIL
14	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - NA
- Names of subsidiaries which have been liquidated or sold during the year. – NA

Part B: Associates and Joint Ventures – Not Applicable

For and on behalf of the Board

PERFECT INFRAENGINEERS LIMITED

Parth Mehta
Director
08458118

Arun Kumar Singh
Director
07509685

Manisha Mehta
CFO

Date: August 12, 2021

Place: Mumbai

FORM AOC -2
PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH
RELATED PARTIES

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014

This Form pertains to the disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

No contracts or arrangements or transactions were entered into during the year ended March 31, 2021, which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Nature and Particulars of transactions	Name of Related Party/s	Nature of Relationship	Silent Terms	Amount of the Transaction
Purchase of Material	Perfect Control Panels Private Limited	Wholly owned Subsidiary Company	Purchase of Solar Hybrid Panel in the ordinary Course of Business	53,58,850
Remuneration	Nimesh Natvarlal Mehta	Promoter (Holding more than 20% of the Share Capital of the Company)	Remuneration to Chief Executive Officer	4,12,832
Remuneration	Manisha Nimesh Mehta	Promoter (Holding more than 20% of the Share Capital of the Company)	Remuneration to Chief Financial Officer Officer	

For PERFECT INFRAENGINEERS LIMITED

Parth Mehta
Director
08458118

Arun Kumar Singh
Director
07509685

Date: August 12, 2021

Place: Mumbai

PART-A

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year 2020-2021:

- i. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2020–21, ratio of the remuneration of each Director to the median remuneration of the employees of your Company for the financial year 2019–20 is as under:

Sr. No.	Name of Director/ KMP	Designation	Remuneration for F.Y. 2020-2021 (in Rs.)	% change (increase / decrease) during the year	Ratio of Remuneration of each Director/ to median remuneration of employee
1	*Mr. Bhanu Pratap Singh	Whole Time Director	8,33,333	NIL	10.42
2	Mr. Nimesh Mehta	Chief Executive Director	15,60,000	NIL	19.5
3	Mrs. Manisha Mehta	Director	13,20,000	NIL	16.5
4	**Mr. Pravesh Palod	Company Secretary	3,15,000	NIL	3.94
4	# Ms. Zainab Chanki	Company Secretary	2,10,000	NIL	2.62
5	## Mr. Krishna Mehta	Additional WTD	-	NIL	-

* Mr. Bhanu Pratap Singh resigned from Whole Time Directorship w.e.f. February 01, 2021 hence his remuneration is mentioned proportionately

**Mr. Pravesh Palod resigned from Company Secretary position w.e.f. November 14, 2021 hence his remuneration is mentioned proportionately

Ms. Zainab Chanki was appointed w.e.f. November 14, 2020 hence her remuneration is mentioned proportionately.

Mr. Krishna Mehta was appointed as an Additional Director of the Company in the capacity of Whole-time Director w.e.f. March 12, 2021 and remuneration of Rs. 6,55,600 was approved by the Board.

- ii. The median remuneration of employees of the Company for the Financial Year was Rs. 80,000.
- iii. There was no increase in the median remuneration of employees in the Financial Year.
- iv. There were 50 permanent employees on the rolls of the Company as on March 31, 2020.

- v. Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year 20-21 and its comparison with the percentile increase in the managerial remuneration and justification thereof – There is no increase in the managerial remuneration in the FY 20- 21.
- vii. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

PART-B

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year 2020-2021:

Sr. No .	Name of Employee	Age	Qualification	Date of commencement of employment	Designation	Experience	Remuneration	Equity shares held
1.	Manish Chaturvedi	42	BA	27.07.2001	Manager	19	600000	5000
2.	Zia Ahmed	52	GRADUATE	15.12.2010	Marketing	10	600000	5000
3.	Pravesh Palod	27	CS	25.11.2019	CS	1	540000	-
4.	Rahul Gorky	48	BA	01.08.2000	Marketing	20	504000	-
5.	Babita Koli	35	BE TECH	02.05.2017	Engineer	3	420000	-
6.	Girija Vinod Patel	44	B. Com	16.03.2006	HR	14	390000	5000
7.	Malik Qureshi Sharafat Ali	30	DIPLOMA IN MECHANICAL ENG	15.03.2015	Estimation	6	264000	-
8.	Pravin Pralhad Kapande	36	T.Y.B.com	29.05.2015	Branch Head	5	252000	-
9.	Sugandha Vilas Naik	30	M.Com	15.03.2015	Account	8	240000	-
10.	Sujata Devadiga	40	T Y.B.COM	07.12.2017	Account	3	240000	-

None of the employees is a relative of any director or manager of the company.

FOR PERFECT INFRAENGINEERS LIMITED

Parth Mehta
Director
08458118

Arun Kumar Singh
Director
07509685

Date: August 12, 2021

Place: Mumbai

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
PERFECT INFRAENGINEERS LIMITED
R-637, TTC INDUSTRIAL AREA, MIDC, T. B. ROAD,
RABALE, NAVI MUMBAI - 400708

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PERFECT INFRAENGINEERS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by “the Company” and submitted by the Company for verification through electronic mode and also the information provided by “the Company”, its officers, agents authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby report that in our opinion, the Company, during the audit period covering the financial year ended 31st March, 2021 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 (Not Applicable);
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(Not Applicable);
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable);
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(Not applicable as the Company has not delisted /propose to delist any of its securities during the financial year under review.); and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not applicable as the Company has not bought back /propose to buy back any of its securities during the financial year under review).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc subject to the following:

1. There was delay in filing many forms as required to be filed under the provisions of the Companies Act, 2013 with the Ministry of Corporate Affairs.
2. There was delay in submission of financial result under the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for year/half year ended 31st March, 2020.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was change in the composition of the Board of Directors during the period under review in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in cases such instance wherein Board Meeting was called at shorter notice and with respect to which the Company has followed necessary compliances as per the Companies Act,2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors of the Board as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instances of:

- i) Right Issue | issue of debentures | issue of sweat Equity.
- ii) Redemption | Buy-back of securities.
- iii) Major decisions taken by the Members in pursuance to Section 180 of the Act.
- iv) Foreign Technical Collaborations.

We further report that during the audit period:

1. The Company had received notice from the National Stock Exchange of India Limited for Non-compliance of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 03, 2018.
2. The Company has taken necessary action on the Notices received from the National Stock Exchange of India Limited in the year 2019-20 & 2020-21 and complied with the same in February,2021.
3. The Company has made a Preferential issue for consideration other than cash of 10 Lacs Equity Shares of face value of Rs. 10 each fully paid at a price of Rs. 26.79 per share including premium of Rs. 16.79 per share aggregating to Rs. 2,67,90,000/- to Suntrac Solar Manufacturing LLC towards part payment of consideration payable by the Company for License Fees for the technology provided by Suntrac Solar Manufacturing LLC, through approval of members by way of Postal Ballot.

The Company had passed Special resolution by way of Postal Ballot on September 7, 2020 and received In-principal approval from NSE on February 22, 2021 subsequent to closure of Notices as mentioned in point 1 above and then allotted Shares on March 6, 2021.

We further report that during the audit period the Company has not undertaken events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Nilesh A. Pradhan & Co., LLP
Company Secretaries**

**Prajakta V.Padhye
Partner
FCS: 7478
CP: 7891
PR: 791/2020
UDIN: F007478C000772462**

Date: 10/08/2021

Place: Dombivali

Note: This report should be read with my letter which is annexed as Annexure I and forms integral part of this report.

ANNEXURE –I

To,
The Members,
PERFECT INFRAENGINEERS LIMITED
R-637, TTC INDUSTRIAL AREA, MIDC, T. B. ROAD,
RABALE, NAVI MUMBAI - 400708

Our report of even date is to be read along with this letter

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believed that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation letter about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Nilesh A. Pradhan &Co., LLP
Company Secretaries

Date: 10/08/2021
Place: Dombivali

Prajakta V.Padhye
Partner
FCS: 7478
CP: 7891
UDIN: F007478C000772462

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

The year 2020-21 started amidst a strict nationwide lockdown in India with tough restrictions on economic activity and mobility and an unprecedented uncertainty about the eventual impact of the COVID 19 pandemic. Soon enough, however, it was clear that the crisis would severely impact economic performance and disrupt livelihood and businesses.

The Company, however, moved swiftly to meet safety and health related challenges of its people, ensuring business continuity under lockdown.

Other key growth drivers were, surging purchasing power of people, increase in construction activities and Government initiatives aimed at improving energy efficiency as well as enormous production of energy at domiciles from renewable sources. Increasing number of high-rise buildings, spread of hypermarkets, shopping complexes and malls in small towns and smart city projects further fuelled this growth. Wider digital reach and growth of online sales channels in India also contributed to the growth of this category. As per GFK Nielsen data, AC category witnessed 43 percent growth through online sales channels during Jan-2019 to May-2019 which is expected to grow further in the upcoming years.

BUSINESS STRATEGY & OUTLOOK

We believe that adapting to market changes is a key factor required for the growth of any business. Hence, we continually monitor opportunities to grow our business. To achieve these goals, we intend to pursue the following principal strategies to optimize our competitive strengths:

- Focus on HVAC Contracts & Hybrid Thermal System Business: We intend to continue our focus on our core expertise of MEP projects execution. The company will focus on fewer and larger projects (mostly Government projects). The company is creating a dealer network and training them to sell Hybrid Thermal System. Company has also registered Solar Thermal Panel with various consultants and there is a cautious approach from consultants and the acceptance is fairly good. Government Consultants have initiated use of this Hybrid Thermal System at tender level in new and upcoming projects.
- Registration in Government sectors: The product has been accepted well in PWD, Maharashtra. Encouraging results at test site has resulted in good level of inquiry from PWD, Maharashtra. The company plans to repeat this procedure in the State of Madhya-Pradesh and Gujarat. CPWD & CIDCO has indicated their positive response for a new system and shall complete the registration process within the next month.
- Entry into manufacturing: Through our subsidiary Perfect Control Panels Pvt. Ltd we have ventured into manufacturing of Solar thermal panels. This complements our contracting business which involves supply and installation of HVAC and Hybrid Thermal systems.
- Geographical reach: HVAC markets have shown increased growth with many projects coming up in Government sectors. We are cautiously expanding in various states of India.

NEW PRODUCT

The said collaboration paves the way to introduce 'Perfect SunTrac Hybrid Thermal System' with smart solar panel in India for a revolutionary, cleaner & greener way of installing and operating HVAC systems. The technology will increase HVAC system efficiency and reduce operating expenses by replacing a percentage of mechanical energy required to power a compressor, thereby saving electricity, with modulated solar thermal energy. The SunTrac technology converts sun's energy to heat, the ultimate renewable source, as against a photovoltaic electric panel system.

With the collaboration, 'Perfect' will be the only manufacturing unit of SunTrac outside U.S.A. All orders of Middle East regions, Australia & Asia will be supplied from existing Perfect's manufacturing facility at Navi Mumbai.

'Perfect' was able to enhance its product range and services to existing as well as new HVAC clients. The production for the Hybrid Thermal System is successful.

The successful implementation/installation of these hi-tech products is likely to alter the landscape of HVAC systems in India. The initial period of the agreement is 5 years renewable on completion of the said period.

- SOL Thermal System Details

Groundbreaking technology has changed the way solar thermal energy is harvested and implanted. The Patented computer-controlled parabolic concentrator produces more energy than any other panel of the same size. This technology has solved two major issues with solar thermal panels; degradation and stagnation.

Perfect Provides ready to install complete systems with solar collector with pre-installed smart controls. The Smart Panel has provided the solutions by controlling the heat that the solar thermal panels generate. The patented panel design utilizes RiteTemp™ technology which modulates the temperature of the liquid or gas as it exits the panel. The solar option is equally innovative offering up to 40% energy savings with as little as a 4*8 Panel. SOL Thermal system is able to deliver a COP of more than 6.

The product was later tested by Intertek, which is a UK based company that specializes in testing, inspecting and certifying products. It provides Total Quality Assurance to industries worldwide. Intertek has certified that our new product saves up to 40% energy. The product was also tested by entities like Mantralaya (PWD) and Siemens Limited. These entities have given a report stating that the said product saves at least 30% energy.

The Company has joined hands with various dealers and has subsequently obtained few strategic businesses for sale of our new product. The Company is registered in GRIHA (Green Rating for Integrated Habitat Assessment) in two categories i.e. Solar Thermal Panel and Hybrid Thermal System.

Solar Thermal Panel – It is a Supplying, Installation, Testing & Commissioning of Hybrid Climate solar smart Panel Systems consisting of tracking parabolic concentrative solar reflectors, Painted Aluminum enclosure, 24V Power Systems, removable safety glass cover, selectable Refrigerant type temperature control with temperature sensors, computer controller and motor assembly.

Hybrid Thermal System- It includes:

a) Indoor units as per the site requirement.

b) Modified VRV outdoor units.

c) Solar Thermal Panel; when all these units are interconnected as per the design, it will be termed as Hybrid Thermal System.

Company has successfully obtained ISO certification for the solar thermal system.

With this successful completion of product development and it's testing, the company is confident of giving substantial growth in next year performance.

RISK & CONCERNS

- **Effect of Lockdown imposed due to CoVID-19 Pandemic:** In view of the lockdown measures imposed by the Central and State Governments due to CoVID-19 pandemic, the operations of the Company came to a halt for a long time and were shut down during the lockdown period. Due to unpredictable situation evolving on account of pandemic, it is difficult to estimate the definite impact of CoVID-19 on the operations of the Company. The disruption caused by Covid-19 and the resultant lockdown has impacted the sales performance and cash flows. The revenues and profitability of the Company were adversely impacted.
- **Slower Economy:** This year has resulted in demand moderation of HVAC systems and has given growth of 20 % this summer, however, increased cost of living has led to a greater emphasis on energy savings. The global economic recovery has been sluggish especially in the US and Europe regions. This coupled with reduced incomes and higher energy bills have impacted the growth.
- **Increased Government focus on energy conservation:** Current Government is keen on pushing energy conservation agenda, via promoting energy-efficient appliances. LED lights, energy-efficient Fans, efficient air-conditioners, etc. High emphasis is observed on measuring and reporting of energy consumption at an increasingly granular level. Private industries are also very keen to monitor energy utilization, is also due to the fact that the energy consumption level in the HVAC appliances is comparatively higher. This has remarkably increased awareness for efficient air conditioners.
- **Cost reduction via preventive maintenance and remote diagnostics:** HVAC systems are among the largest consumers of energy, indicating that these systems can be the source of good savings if the overall performance is increased and the faults are detected on time. Cost savings can be achieved. Most of the air conditioners manufacturers are pressing hard for inverter ac sales.
- **Push towards Green Energy:** Cost of electricity is on the rise internationally especially in UAE where electricity was highly subsidized by Government. Due to withdrawal of this subsidy, cost has increased drastically. This has made an overall sentiment for the need of more and more energy-efficient machines. Environmental factors like ozone depletion and global warming and available innovative renewable energy options have resulted in an increased push for solar products.
- **Consumer demand:** The pandemic has certainly impacted the overall consumption trend and consumer spending. Discretionary spending has been hit hard as the entire country is sitting at

home. Consumers can't go out and spend like they used to. Even after the lifting of lockdown, consumer will be in a reactive mood, pushing sales of selective categories. For individuals, a healthy, safe and comfortable environment will become the top-most priority. Spending will go up in these areas boosting demand for air conditioners as well.

- **Labour shortage:** Labour shortage is going to be a big challenge for manufacturing as a majority of migrant labours have returned to their hometowns amid the lockdown enforced in the country. Availability of service technicians has been a challenge.
- **Seasonality business:** The Company's AC and AC components businesses are highly dependent on summer. Its demand goes down during monsoon and winter. Changes in weather conditions like unusually heavy monsoons or cooler summers can impact the Company's margins.

Company's Strengths

- **Brand Presence:** 'Perfect Infra' represents a brand in the market we operate in. Our service offerings coupled with technical know-how, execution capabilities and track record of over a decade has provided us with brand recognition and credibility. Our recognition and acceptance have significantly contributed to the success of our business.
- **Experienced Promoter & Management:** Promoter, Chief Executive Officer, Mr. Nimesh Mehta, who is a mechanical engineer, has experience of more than 38 years in the HVAC industry and is well acquainted with the dynamics of the industry. In addition, the middle management team, skilled workforce, and marketing personnel provide the company with the depth needed to manage new business areas.
- **Overseas Presence:** Perfect Infra has executed projects in geographies outside India such as Nigeria and Tanzania. We have already completed projects for companies in the pharmaceutical and medical diagnostic sectors at these countries. We continue to focus on these areas and use valuable contacts to promote solar thermal panels.
- **Panel manufacturing unit:** The company's wholly-owned subsidiary viz. Perfect Control Panels Pvt. Ltd has set up a facility for manufacturing/assembly of solar Thermal panel. Panels required for SOL Thermal energy climate Systems. This facility would ensure low cost and timely delivery in the projects we execute, thereby leading to increased profitability for our company in the years to come. The Company has successfully completed trial production of Solar Thermal Panel and has also completed indigenization for all components of this solar panel.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well-defined and adequate internal control system commensurate to the size of its business and the nature of industry it operates in. The Internal Control system ensures safeguarding and protecting the assets of the Company. Internal Audit has been conducted by external Auditors at plant as well as at the branches of the Company within the detailed scope defined and approved by the Audit Committee. The Auditors has provided a comment that the control mechanism in respect of design of control requires improvement. The Company has taken note of the weakness and the management is working hard to get in place a system to ensure mechanism relating to design of control are improved.

HUMAN RESOURCE

The Company truly believes its team and people to be its greatest assets. The organization empowers and motivates its people. The Company's core focus is to provide growth and nurture all

its employees, encouraging them to perform their best. For this, employees training, and skill development is very important. Additionally, induction training, and regular on-the-job-related training is also provided to help employees improve their duties' performance continually.

The Company remains focused on strengthening its people policies and internal processes where employees seek continual improvement, greater accountability, and responsibility, and excel in their key result areas. Collaboration, connectivity, and productivity-enhancing technology initiatives are the Company's key drivers behind building careers for its people. The Company has currently employed 50 employees and is trying to grow more along with the new product.

Financial Ratios

Financial Ratios	Formula	Ratio
Debtors Turnover	Sales/Trade receivables	0.19
Interest Coverage Ratio	EBITD/Interest	2.15
Current Ratio	Current Assets /Current Liabilities	2.78
Debt Equity Ratio	Total Liabilities/ Total Shareholders' Equity	0.59
Net Profit Margin	Net Profit/ Revenue	-0.13
Return on Net Worth	Net Profit/ Shareholders' Equity	0.007



INDEPENDENT AUDITOR'S REPORT

To the Members of PERFECT INFRAENGINEERS LIMITED Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of PERFECT INFRAENGINEERS LIMITED (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of Profit and Loss, and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of their consolidated state of affairs of the Company as at March 31, 2021, its statement of consolidated Profit & loss, of the loss, and its consolidated cash flows for the year then ended.

Our opinion is not modified for this matter.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note 33 to the Statement, which describes the uncertainty caused by Covid-19 pandemic and the assessment made by the management on its business and financials. This assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods.

We draw your attention to Note 4.2(f) to the Statement, whereby it describes that the Company has been negotiating existing facilities with TDB which can impact future liquidity.

The balances in Trade Receivables and Trade Payables are subject to confirmation.

Due to the Covid-19 related lockdown, we were unable to observe the Management's year-end physical verification of inventory amounting to Rs.7.54 crores. We have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA



501 "Audit Evidence - Specific Considerations for Selected Items". We observed that company has many slow moving items in inventory.

The company has reversed the Professional Tax Liability of Rs 1.49 lakhs as liability ceases to exist as per them.

Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises of the information included in the Board of Directors report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance/conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, then we will communicate the matter to those charged with governance.

Other Matters

The opinion expressed in the present report includes the information, facts and inputs made available to us through electronic means by the Company's Management and relied upon by us because the Covid-19 had induced restrictions on physical movements.

Our opinion is not modified in respect of this matter.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose



of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its entities are responsible for assessing the ability of the Group and of its entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its entities is responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 ability of the Group and its associates and jointly controlled entities 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 consolidated financial statements or, if such disclosures are inadequate, we are required 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 Group and its associates and jointly controlled entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) We have received the mail confirmation from the company that none of the directors are disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in “**Annexure-A**”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. We are not aware about any other pending litigations which would impact the consolidated financial position of the Group entities except those mentioned in notes to accounts to the financial statement.
- ii. The Group entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For JCR & Co.
Chartered Accountants
FRN- 105270W

Sd/-
Mitesh Chheda
Partner
Mem. No. – 160688

Date: 30th June,2021
Place: Mumbai
UDIN:



“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in point 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Perfect Infraengineers Limited of even date)

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

We have audited the internal financial controls over financial reporting of **PERFECT INFRAENGINEERS LIMITED** (“the Company”) as of March 31, 2021 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the

preparation of financial 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

According to the information and explanations given to us and based on our audit, the following significant weakness has been identified as at 31st March, 2021:

The control mechanism in respect of recording of transactions needs improvement.

In our opinion, except for the possible effects of the significant weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting were operating effectively as of 31st March, 2021, 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 JCR & Co
Chartered Accountants
FRN- 105270W

Sd/-
Mitesh Chheda
Partner
Mem. No. 160688
Date: 30th June, 2021
Place: Mumbai

PERFECT INFRAENGINEERS LIMITED
Audited Consolidated Balance Sheet as on 31st March,2021

Particulars	Note no.	As at 31st March,2021	As at 31st March,2020
I. EQUITY & LIABILITIES			
1 Shareholder's Funds			
(a) Share capital	2	110,637,780	100,637,780
(b) Other Equity	3	115,023,752	99,961,016
© Application money received pending allotment			26,795,615
2 Non-current liabilities			
(a) Long-term borrowings	4	47,560,621	55,353,383
(b) Deferred tax liability (net)	5	5,205,354	2,382,065
(c) Other long - term liabilities	6	101,600	87,550
(d) Long-term provisions	7	1,095,792	880,738
3 Current liabilities			
(a) Short-term borrowings	8	61,538,440	100,547,739
(b) Trade payables	9	11,044,464	14,035,447
(c) Other current liabilities	10	10,075,261	9,695,960
(d) Short-term provisions	11	1,559,158	1,372,681
TOTAL		363,842,222	411,749,973
II. ASSETS			
1 Non-current assets			
<u>(a) Property, Plant and Equipments</u>			
Tangible assets	12	25,646,060	48,731,407
Intangible assets	12	89,815,796	1,704,181
Capital Work In Progress	12	-	88,945,693
(b) Non Current Investments	13	582,122	582,122
(c) Long-term loans and advances	14	10,684,897	9,784,897
(d) Other non-current assets	15	2,017,590	1,352,085
2 Current assets			
(a) Inventories	16	75,421,918	76,788,988
(b) Trade receivables	17	71,728,301	87,452,330
(c) Cash and bank balances	18	2,192,921	5,056,253
(d) Short-term loans and advances	19	11,534,709	11,748,379
(e) Other current assets	20	74,217,909	79,603,638
TOTAL		363,842,222	411,749,972

Significant Accounting Policies

1

Notes form an integral part of the financial statements

2 to 37

As per our Report of even date

For JCR & Co.

Chartered Accountants

FRN : 105270W

For and on behalf of the Board of Directors

Mitesh D. Chheda
Partner
M. No. 160688

Krishna Mehta
Director
DIN 08458633

Parth Mehta
Director
DIN 08458118

Place: Mumbai
Date: 30th June,2021

Manisha Mehta
CFO

Zainab Chanki
CS

PERFECT INFRAENGINEERS LIMITED

Audited Consolidated Statement of Profit & Loss for year ended 31st March, 2021

Particulars	Note No.	31st March,2021	31st March,2020
I. Revenue from operations	21	14,623,331	49,458,799
II. Other Income	22	22,675,876	1,620,902
III. Total Revenue (I + II)		37,299,207	51,079,701
IV. <u>Expenses:</u>			
Cost of Materials/Services Consumed	23	7,345,440	15,932,816
Employee benefits expense	24	6,783,412	5,168,309
Finance costs	25	6,712,684	15,187,896
Depreciation and amortization expense	12	5,030,120	5,339,657
Other expenses	26	10,022,391	7,665,436
Total Expenses		35,894,047	49,294,114
V. Profit before tax (III- IV)		1,405,160	1,785,587
VI. Tax Expense:			
(1) Current tax		309,135	392,829
(2) Deferred tax		2,823,289	(575,692)
(3) Excess Provision of Previous Year			
		3,132,424	(182,863)
VII. Minority Interest			
VII. Profit (Loss) for the period (V-VI)		(1,727,264)	1,968,450
VIII. Earnings per equity share:	27	(0.17)	0.20
Face value of Rs. 10 each			
-Basic and Diluted			

Significant Accounting Policies

1

Notes form an integral part of the financial statements

2 to 37

As per our Report of even date

For JCR & Co.

Chartered Accountants

FRN : 105270W

For and on behalf of the Board of Directors

Mitesh D. Chheda

Partner

M. No. 160688

Krishna Mehta

Director

DIN 08458633

Parth Mehta

Director

DIN 08458118

Place: Mumbai

Date: 30th June,2021

Manisha Mehta

CFO

Zainab Chanki

CS

PERFECT INFRAENGINEERS LIMITED
CONSOLIDATED CASHFLOW STATEMENT for the year ended 31st March,2021
Amount

Particulars	FOR THE YEAR ENDED MARCH 31,2021	FOR THE YEAR ENDED MARCH 31,2020
CASH FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax and extraordinary items:	1,405,160	638,473
Depreciation	5,030,120	5,339,686
Interest Income	(34,343)	(380,463)
Provisions written back	(605,141)	(247,901)
Misc Exp w/off	-	112,461
(Profit)/Loss on sale of fixed assets	(19,260,694)	-
Interest on Borrowings	6,712,684	15,187,896
Share Issue Expenses	367,059	1,763,536
Other Adjustments	-	1,282,028
Income Tax Provisions	(3,132,424)	-
Operating Profit before Working Capital changes	(9,517,579)	23,695,716
Adjustments for:		
Inventories (Increase) / Decrease	1,367,070	(5,941,520)
Trade Receivables (Increase) / Decrease	13,075,746	(16,652,324)
Loans and advances (Increase) / Decrease	(867,171)	1,057,911
Other non current assets and Current Assets (Increase) / Decrease	4,001,067	7,450,008
Trade payables Increase / (Decrease)	(342,699)	(5,425,810)
Other current liabilities and provisions Increase / (Decrease)	794,883	(6,033,693)
Increase/(Decrease) in Deferred Tax liability	2,823,289	-
Cash generated from Operations	11,334,606	(1,849,712)
Direct taxes received / (paid)	234,193	(30,144)
Net Prior Year adjustments	-	NIL
Cash Flow from Operating Activities	11,568,799	(1,879,856)
Extraordinary items:		
Extraordinary item	-	-
Net Cash from Operating Activities: (A)	11,568,799	(1,879,856)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investment	-	-
Purchases of Fixed Assets \WIP\Capital Advance	-	(12,786,383)
Proceeds from Sale of Fixed Assets	38,150,000	-
Proceeds from Share issue	-	-
Proceeds from Sale of Share (Investments)	-	-
Interest and Dividend Income	32,613	380,463
Net cash generated from/(used in) investing activities (B)	38,182,613	(12,405,920)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Fresh Issue	-	-
Increase in Unsecured Loans	(6,892,762)	18,540
Increase/Decrease in Loans from Bank (Net)	(454,322)	27,555,680
Increase/(Decrease) in Short Term Borrowings	(38,554,976)	-
Interest /Finance Charges paid	(6,712,684)	(15,187,896)
Dividend Paid / Dividend Distribution Tax Paid	-	-
Share issue Expenses	-	-
Fixed Deposit held with Bank as margin Money	4,688,139	1,103,923
Net cash received from/(used in) financing activities (C)	(47,926,605)	13,490,247
Net increase in cash and cash equivalents (A + B + C)	1,824,807	(795,529)
Cash and cash equivalents (Opening)	(1,029,669)	(234,142)
Cash and cash equivalents (Closing)	795,138	(1,029,669)

(i) The above Cash Flow Statement has been prepared under the " Indirect Method" as set out in Accounting

(ii) Previous year's figures have been regrouped/rearranged/recast wherever necessary to make them

As per our Report of even date

For JCR & Co.

Chartered Accountants

FRN : 105270W

For and on behalf of the Board of Directors

Mitesh D. Chheda
Partner
M. No. 160688

Krishna Mehta
Director
DIN 08458633

Parth Mehta
Director
DIN 08458118

Place: Mumbai
Date: 30th June,2021

Manisha Mehta
CFO

Zainab Chanki
CS

PERFECT INFRAENGINEERS LIMITED

Notes to financial statements for the year ended 31st March, 2021

NOTE 2: SHARE CAPITAL

	31st March,2021		31st March,2020	
2.1 Authorised				
Equity Shares of Rs. 10 each	1,30,00,000	13,00,00,000	1,30,00,000	13,00,00,000
2.2 Issued, Subscribed & Paid up				
Shares at the beginning of the period	1,00,63,778	10,06,37,780	1,00,63,778	10,06,37,780
Add: Issued during the year	10,00,000	1,00,00,000	-	-
Add: Issued Bonus shares	-	-	-	-
Shares at the end of the period	1,10,63,778	11,06,37,780	1,00,63,778	10,06,37,780
2.3 Reconciliation of Number of Shares				
Outstanding at Beginning of the period	1,00,63,778		1,00,63,778	
Add: Issued during the year	10,00,000		-	
Outstanding at the end of the period	1,10,63,778		1,00,63,778	
2.4 Aggregate Number of Shares issued for consideration by cash and shares bought back during the period of five years immediately preceding the reporting date:				
Shares Issued against Unsecured loan from directors	-		-	
	-		-	
Total	1,10,63,778		1,00,63,778	
2.5 Details of Shareholder holding more than 5% shares				
Name of Shareholder	Number	% of Holding	Number	% of Holding
Mr. Nimesh Mehta (**)	24,34,053	24.19	26,33,572	26.17
Mrs. Manisha Mehta (**)	25,82,832	25.65	25,52,832	25.37
Suntrac Solar Manufacturing LLC	10,00,000	9.04	-	-

** Total 57% of promoters holding are pledged with TDB as security towards soft loans of Rs. 750 Lakhs sanctioned to the company.

2.6 Terms /Rights attached to the Equity Shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to vote on show of hands unless a poll is demanded. Accordingly, all equity shares rank equally with regards to dividends and shares in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

Note 3: SURPLUS

	31st March,2021	31st March,2020
3.1 Security Premium		
Opening Balance	7,38,76,290	7,38,76,290
Add: Addition during current year	1,67,90,000	-
Less: Utilised for issue of Bonus Shares		
Closing Balance	9,06,66,290	7,38,76,290
3.2 Statement of Profit & Loss		
Opening Balance	2,60,84,726	2,41,16,276
Add: Net Profit/(Net Loss) for the Period	(17,27,264)	19,68,450
	2,43,57,462	2,60,84,726
Add: Transferred to General Reserve		
Closing Balance	2,43,57,462	2,60,84,726
	11,50,23,752	9,99,61,016

PERFECT INFRAENGINEERS LIMITED
Notes to financial statements for the year ended 31st March, 2021

Note 4:	LONG TERM BORROWINGS	31st March,2021	31st March,2020
	(Secured)		
	Term Loan from Banks		
	SIDBI		-
	ICICI Bank		-
	TJSB Bank		
	Term Loan From Others		
	Technology Development Board (TDB) (refer note 4.2 f)	4,50,00,000	4,50,00,000
	(Unsecured)		
	From Others		
	Loan from Directors (refer note 4.3)	13,89,482	18,53,383
	Others	11,71,139	85,00,000
		4,75,60,621	5,53,53,383

Term Loans from Banks & Financial Institutions are secured by way of :
4.1 a) Directors of the Company have extended Unsecured Loan including Ex Directors

4.2 a) Term Loans from ICICI Bank is secured by Equitable Mortgage of Plot owned by Company at Rabale and first charge on all movable assets of the company

b) Exclusive charge by way of Hypothecation over all movable assets, present and future;

c) Collateral Security by way of Equitable mortgage of Immovable Properties owned by the Company situated at Ghatkopar West and Village Dasve and Rabale Midc in Navi

d) Collateral Security by way of Equitable mortgage of certain residential Properties owned by Directors;

e) Directors of the Company have extended a Personal Guarantee.

f) Pledge of Shares : Company has got sanction of Rs. 750 Lacs as Soft Loan from TDB towards "Development and Commercialisation of Hybrid Thermal System" (company has pledged promoters equity shares holding of 2977885 shares, plus mortgage of Land and Building, hypothecation of movable assets (present and future))

f) Loan has been recalled by TDB and they have asked for repayment. However, management is in the process of re-negotiating the terms with TDB and to enter into fresh arrangement with fresh repayment schedules, which is under process.

4.3 a) Loan from Directors are interest free loans and no specific terms of repayment are agreed upon between directors and the Company

b) Relatives of the Directors have given interest free Unsecured loan.

Note 5:	DEFERRED TAX LIABILITIES (Net)	31st March,2021	31st March,2020
5.1	Deferred Tax Liability (A)	23,82,065	29,57,757
	Depreciation/Adjustment	28,23,289	(5,75,692)
5.2	Deferred Tax Asset (B)		
	On account of Disallowance U/s. 43 B	-	-
		52,05,354	23,82,065

Note 6:	OTHER LONG TERM LIABILITIES	31st March,2021	31st March,2020
	Deposits from Customers	1,01,600	87,550
		1,01,600	87,550

Note 7:	LONG TERM PROVISIONS	31st March,2021	31st March,2020
	Provision For Gratuity	10,95,792	8,80,738
		10,95,792	8,80,738

7.1 Gratuity payable is provided on Actuarial Valuation basis, However the company has not created any fund towards payment of same.

PERFECT INFRAENGINEERS LIMITED
Note 8: SHORT TERM BORROWINGS
31st March,2021
31st March,2020
(Secured)

8.1	ICICI Bank (refer note 8.1)	5,02,69,035	6,16,22,203
8.2	The National Small Industries Corporation Ltd (refer note 8.2)		2,72,01,809
8.3	TJSB Bank (refer note 6.1)	91,39,519	92,59,360
8.4	NSIC Bank (refer note 6.2)	21,29,886	24,64,367
		<u>6,15,38,440</u>	<u>10,05,47,739</u>
		<u>6,15,38,440</u>	<u>10,05,47,739</u>

8.1 Cash Credit facility from ICICI Bank is secured by :

- Exclusive charge by way of Hypothecation over all movable assets, present and future;
- Collateral Security by way of Equitable mortgage of Immovable Properties owned by the Company situated at Ghatkopar West, Thane West and Village Dasve and Equitable mortgage of Plot at Rabale;
- Collateral Security by way of Equitable mortgage of certain residential Properties owned by Directors;
- Directors of the Company have extended a Personal Guarantee.
- During the FY 20-21, the Company had entered into One Time Settlement (OTS) proposal with ICICI and few payments were also made. However, Company will again negotiate the terms with them for repayment.

8.2 The loan from National Small Industries Corporation Limited was secured by Bank Gurantee issued and repaid in FY 20-21

Note 9: TRADE PAYABLES
31st March,2021
31st March,2020

Trade Payables-for Goods & Services

(Including acceptances)

A. Total Outstanding dues of Micro enterprises and Small Enterprises	8,48,922	8,32,892
B. Total Outstanding dues of other than Micro enterprises and Small Enterprises	1,01,95,542	1,32,02,555
	<u>1,10,44,464</u>	<u>1,40,35,447</u>

The Company have disclosed amount from whom they have received confirmation from suppliers as registered under Micro enterprises and Small enterprises, rest all outstanding assumed as other enterprises

9.1 Trade Payables Includes payable to Subsidiary Company

9.2 Trade Payable has been breakup in Current and non current based on outstanding for less than 365 days or more

9.3 The balances of Trade Payables are subject to reconciliation and confirmation. Appropriate adjustment if necessary will be considered in the year of reconciliation.

PERFECT INFRAENGINEERS LIMITED
Notes to financial statements for the year ended 31st March, 2021
Note 10: OTHER CURRENT LIABILITIES
31st March,2021
31st March,2020

1	Current Maturities of Long Term Liabilities (for security refer note 4.1 to 4.4)	-	-
2	Interest Accrued but not due	35,30,991	12,80,991
3	Statutory Dues payable	46,97,898	78,20,375
4	Security Deposits	9,00,000	-
5	Employee Benefit payable	96,090	1,91,090
6	Director Salary Payable	3,53,494	92,994
7	Gratuity Payable	-	-
8	Advance Income	3,25,283	5,31,396
9	Temporary Bank Overdrawn balance	-	(3,40,081)
10	Other payables	<u>1,71,505</u>	<u>1,19,195</u>
		<u>1,00,75,261</u>	<u>96,95,960</u>

Note 11: SHORT TERM PROVISIONS
31st March,2021
31st March,2020

1	Interest/ late payable	-	-
2	Provision for Sitting Fees Payable	-	-
3	Provision for Gratuity	1,13,514	1,61,230
4	Provision for Income Tax (Net of Advance Tax & TDS)	14,45,644	12,11,451
5	Provision for tax audit fees	-	-
6	Provision for Internal audit fees	-	-
7	Other provision	<u>15,59,158</u>	<u>13,72,681</u>

Note 13: NON CURRENT INVESTMENTS		31st March,2021	31st March,2020
Trade			
Unquoted Investments			
13.1 Non Trade			
Investments in Mutual Funds			
Kotak Select Fund		20,000	20,000
[2,000 Units (2,000 Units) of Rs. 10 each]			
Total Quoted Investments		20,000	20,000
Aggregate Market Value of Quoted Shares		71,960	71,960
13.2 Unquoted Investments			
National Savings Certificate		20,000	20,000
Investments in Equity Instruments			
The Thane Janata Sahakari Bank Ltd		4,95,000	4,95,000
9,900 (Nil) Shares of Rs.50/- each, fully paid			
Total Unquoted Investments		5,15,000	5,15,000
13.3 Other Investment : Gold Coin		47,122	47,122
		5,82,122	5,82,122
13.5 For basis of valuation refer note no. 1.7 of Significant Accounting Policy			
Note 14: LONG TERMS LOANS & ADVANCES		31st March,2021	31st March,2020
(Unsecured Considered Good)			
1 Capital Advances (see note 14.1)		94,62,800	94,62,800
2 Rent Deposit		-	-
3 Deposit with Suppliers		67,097	67,097
4 Other Deposits		11,55,000	2,55,000
		1,06,84,897	97,84,897
14.1 Advance for purchase of immoveable property at Pune Taluka			
Note 15: OTHER NON CURRENT ASSETS		31st March,2021	31st March,2020
(Unsecured Considered Good)			
1 Retention with customers		-	-
2 Advance & SA tax & TDS (net of provision for tax of prev years)		20,03,568	9,71,004
3 Miscellaneous Exp (to the extent not W/off)		14,022	3,81,081
		20,17,590	13,52,085
15.3 Miscellaneous Exp (to the extent not W/off) Consists of unamortised portion of issue related expenses of Initial Public Offering, which are amortised over a period of 5 years as per Company's accounting policy			
Note 16: INVENTORIES		31st March,2021	31st March,2020
Stock of raw materials		7,45,83,151	91,47,435
Stock of Spares and Components		8,38,767	5,03,04,593
Others			1,73,36,960
		7,54,21,918	7,67,88,988
For basis of valuation refer note no. 1.8 of Significant Accounting Policy			

PERFECT INFRAENGINEERS LIMITED
Notes to financial statements for the year ended 31st March, 2021

Note 17:	TRADE RECEIVABLES	31st March,2021	31st March,2020
1 Trade Receivables			
a. Trade Receivables considered good - Secured			
b. Trade Receivables considered good - Unsecured		24,69,328	
c. Trade Receivables which have significant increase in Credit Risk; and			
d. Trade Receivables - Credit impaired			
(Unsecured Considered Good)			
Outstanding for a Period exceeding six months		5,65,50,848	5,42,65,094
(From the due date of payment)			
Others		1,27,08,124	3,31,87,235
		7,17,28,301	8,74,52,330

17.1

The Balances of Trade Receivables are subject to reconciliation and confirmation. Appropriate adjustment if necessary will be considered in the year of reconciliation.

Note 18:	CASH & BANK BALANCES	31st March,2021	31st March,2020
	Cash and cash equivalents		
	Cash on hand	5,52,650	7,65,518
	Balance with Banks		
	Balances with banks	(25,032)	(20,62,706)
1	Margin Money for Bank Guarantees	16,65,302	63,53,441
		21,92,921	50,56,253

18.1 Represents Fixed Deposits pledged with bank as margin money for the issue of bank guarantees

Note 19:	SHORT TERM LOANS & ADVANCES	31st March,2021	31st March,2020
	(Unsecured Considered Good)		
	Advance to Suppliers	26,23,803	26,39,103
	Advance to Employees	-	31,865
	Deposit_ Govt Authorities _pending Cases	14,82,699	16,63,540
	Other Advances & Deposits	74,28,207	74,13,871
		1,15,34,709	1,17,48,379

19.1 The Balances of Short Term Loans and advances are subject to reconciliation and confirmation. Appropriate adjustment if necessary will be considered in the year of reconciliation.

Note 20:	OTHER CURRENT ASSETS	31st March,2021	31st March,2020
	(Unsecured Considered Good)		
	Retention with customers	69,54,158	77,62,618
	Accrued receivable	5,96,26,141	6,02,64,509
	Prepaid expenses	-	21,964
	Accrued Interest on Bank Fixed Deposit/NSC	7,722	7,722
	Due from Ex-employees	-	-
	Other Receivable	45,68,081	85,95,802
	Miscellaneous Expenses (to the extent not w/off) (Refer Note No. 15.1)	20,79,849	20,79,849
	Balance with Revenue Authorities	1,85,729	
	Other assets	7,33,196	8,08,141
	TDS Recoverable	63,033	63,033
		7,42,17,909	7,96,03,638

Note 21:	REVENUE FROM OPERATIONS	31st March,2021	31st March,2020
	Trading/ Installation & Commissioning of AC	30,69,942	2,35,95,591
	Renting of Air Conditioners	63,75,228	61,03,288
	Sale of Services	21,32,546	90,45,720
	Operating income	9,20,953	8,44,818
	Other operating income	4,60,368	18,04,197
	Sale of Panels	16,64,294	80,65,185
		1,46,23,331	4,94,58,799

Note 22:	OTHER INCOME	31st March,2021	31st March,2020
	Interest Income from Bank Deposits	32,613	3,05,463
	Profit on Sale of Fixed Asset	1,92,60,694	-
	Sundry provisions and credit balances no longer required, written back	2,324	10,78,729
	Excess Provision of Income Tax no longer required	33,08,015	-
	Rent Income	70,500	1,60,000
	Others	1,730	76,710
	Discount Received		
		2,26,75,876	16,20,902

PERFECT INFRAENGINEERS LIMITED

Notes to financial statements for the year ended 31st March, 2021

Note 23:	<u>COST OF MATERIALS / SERVICES CONSUMED</u>	31st March,2021	31st March,2020
	Opening Stock of Raw Material	7,67,88,989	6,97,00,385
	Purchases	42,21,280	1,53,30,942
	Labour	26,333	53,860
	Site expenses	17,30,756	76,36,617
	Less: Closing Stock of Raw Material	7,54,21,918	7,67,88,989
		73,45,440	1,59,32,816
Note 24:	<u>EMPLOYEE BENEFIT EXPENSES</u>	31st March,2021	31st March,2020
	Salaries, wages and bonus	64,48,884	49,59,806
	Contribution to provident and other funds	1,40,490	2,08,503
	Gratuity	1,94,038	-
		67,83,412	51,68,309
Note 25:	<u>FINANCE EXPENSES</u>	31st March,2021	31st March,2020
	Interest paid to Banks	66,20,560	1,45,99,675
	Other Borrowing Costs	92,124	5,88,221
		67,12,684	1,51,87,896
Note 26:	<u>OTHER EXPENSES</u>	31st March,2021	31st March,2020
1	Auditor's Remuneration (Refer Note 26.1)	2,73,000	2,15,000
2	Communication Costs	67,474	1,68,271
3	Business Promotion expenses	41,500	66,362
4	Discount	17,96,578	-
5	Insurance	50,128	2,02,261
6	Legal & Professional Fees	7,81,350	11,77,229
7	Miscellaneous Expenses	6,11,148	1,11,149
8	Power & Fuel	1,462	4,55,628
9	Postage & Courier Charges	2,65,484	19,227
10	Printing & Stationery	1,000	1,27,325
11	Office exp	39,167	40,145
12	Rent Rates & Taxes	12,49,654	1,32,435
13	Repairs and Maintenance Expenses	13,50,000	3,94,680
14	Security services	1,36,092	2,20,000
15	Transportation charges	2,60,000	1,74,310
16	Society Maintenance Charges	2,62,591	3,08,260
17	Sitting Fees	3,02,988	46,900
18	Travelling & Conveyance	1,40,637	18,63,698
19	Share Issue Expenses W/off	2,49,000	17,63,536
20	Late Fee on TDS	7,61,280	-
21	Sales Deduction expenses	3,67,059	16,520
22	ROC Fees	14,800	1,62,500
23	Bad Debts	10,00,000	
		1,00,22,391	76,65,436
26.1	<u>Payment to Auditor</u>	31st March,2021	31st March,2020
	Statutory Audit fees	2,73,000	1,75,000
		273000	175000

PERFECT INFRAENGINEERS LIMITED

Notes to financial statements for the year ended 31st March, 2021

NOTE 27: EARNINGS PER SHARE

The Company reports earnings per shares (EPS) in accordance with AS 20, on 'Earnings per Share' issued by ICAI. Basic EPS is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Particulars	31st March,2021	31st March,2020
Profit before Tax	14,05,160	17,85,586
Less :		
Provision for Tax & Deferred Tax	31,32,424	(1,82,863)
Profit after tax	(17,27,264)	19,68,450
Weighted Number of Shares	1,01,32,271	97,01,139
Basic & Diluted EPS	(0.17)	0.20

NOTE 28: RELATED PARTY DISCLOSURES

Related parties with whom transactions have taken place during the period

Key Management Personnel**Designation**

CEO	Mr. Nimesh Mehta
CFO	Mrs. Manisha Mehta
CS	Mrs. Zainab Chanki (wef.14/11/2020)
Director	Mr. Parth Mehta
Director	Mr. Krishna Mehta (wef 12/03/2021)

Independent Directors

Mr Arun Singh (wef. 21/12/2020)
Ms Gurinderkaur Multani (wef. 21/12/2020)
Mr Rakesh Chauhan (wef. 21/12/2020)
Mr B P Singh (upto 01/02/2021)

Subsidiary Company (wholly owned)**Perfect Control Panel Pvt Ltd****PERFECT INFRAENGINEERS LIMITED**

Notes to financial statements for the year ended 31st March, 2021

Related Party Transactions :

Particulars	31st March,2021	31st Mar 2020
Key Management Personnel		
Remuneration to CFO/CEO	29,50,800	29,50,800
Subsidiary Company		
Rent Received	-	-
Purchase of Material	53,58,850	76,40,989
Sale of Goods	-	52,85,306
Advance received back	-	-
Reimbursement of Expenses to	-	29,61,767
Subsidiary		
Investment		
Trade Payables	1,11,39,099	84,90,816
Key Management Personnel		
Trade receivables		
Remuneration Payable	4,46,326	92,994
Loan Payable	12,95,880	12,60,744
Security Deposit received from CFO	9,00,000	

DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED**NOTE 29: UNDER THE MSMED ACT, 2006:**

Disclosure in accordance with Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

As at March 31, 2021, except few no supplier has intimated to the Company about its status as Micro or Small Enterprises or its registration with the appropriate authority under MSMED and hence information pertaining to Disclosure in accordance with Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is not furnished by the Company to the extent not received.

NOTE 30: CONTINGENT LIABILITIES & COMMITMENTS**Description****30.1 CONTINGENT LIABILITIES**

Bank Guarantees

Disputed Sales Tax liabilities for which appeal has been filed
(Amount deposited Rs.2,987,511 (204,478))

Disputed Income Tax liabilities of Rs. 1,74,55,380 for AY 18-19
for which appeal has been filed

30.2 COMMITMENTS

Estimated amount of capital commitments not provided for
(Net of Advances)

CLAIMS AGAINST COMPANY NOT ACKNOWLEDGED AS**30.3 DEBT****30.3 A Cases filed against company**

Eleven cases filed against company (PY Sixteen cases were filed)

7,117,699

6,302,629

30.3.B Cases filed by company**Matters with Court**

i Leo and Coronea Hotels (Claim amount Rs. 27,50,000/- and Rs. 25,00,000/- EMD Recovery)

Matters under Insolvency and Bankruptcy Code 2016 (NCLT Mumbai)

ii Chartered Hotels (Claim amount Rs. 56,62,407/- under Insolvency and Bankruptcy Code, 2016)

iii Mumbai Metro One P. Ltd. (Claim amount Rs. 1,87,075/- under Insolvency and Bankruptcy Code, 2016 Notice served in Aug, 2018 and claim will be filed with authority on its direction)

iv Unity Infra (Claim Rs. 96,68,428 however matter is pending under Insolvency and Bankruptcy Resolution Professional. COC Meeting has approved Rs. 31,17,480/- . The said matter is pending with honourable National Company Law Tribunal - Mumbai and yet to be decided.

Note: In view of the unprecedented COVID 19 situation the company expects uncertainty in recovery of above receivables and therefore have decided to initiate provision against such receivables.

30.4 The Sale tax Authorities have carried out survey/search in respect of the Company's operations In Maharashtra under MVAT Act,2005 on 5/4/2016. No specific demand is raised on the Company so far and also the Management is confident that no major liability will be payable by the Company in respect of the said search/survey. Meanwhile the Company has deposited Rs.20,00,000/- under protest.

EARNINGS & EXPENDITURE IN FOREIGN CURRENCY**NOTE 31: (on ACCRUAL BASIS):****31st March,2021****31st March,2020**

Technical know how fees(WIP)

-

35,676,345

Travelling Expenses

-

544,694

Export Sales

-

1,982,405

NOTE 32: VALUE OF IMPORTS (on CIF Basis)

Purchase of Goods

PERFECT INFRAENGINEERS LIMITED

Notes to financial statements for the year ended 31st March, 2021

The global spread of Covid -19 has led to an uncertain and unpredictable path ahead for all of us. The full extent to which the pandemic will impact our future financial results will depend on upcoming developments, which are highly uncertain including any new information concerning the severity of the pandemic and the action to mitigate its spread as advised by local authorities. The company has considered the possible effects that may result from the pandemic on the financial results. In developing the assumptions relating to the possible future uncertainties in the economic conditions of this pandemic, the company has used internal and external sources of information.

NOTE 33:

Ministry of Finance announced amendment in the form of reduced tax rate vide Taxation Laws (Amendment) Ordinance 2019 by inserting a new section 115BAA in the Income Tax Act, 1961. The amendments would be applicable from the previous year 2019-20 (AY 2020-21). As per the new section, the domestic Company may exercise the option of payment of tax at reduced rate of 22% subject to the condition that the company will not avail certain deductions/exemptions. The company had opted for the reduced rate of income tax. This had resulted in one time effect on PAT of Rs.3,24,827 due to reduction in deferred tax liability in AY 2020-21.

NOTE 34:

NOTE 35: Operating Leases

The Company's lease agreements are in respect of operating lease for office premises. These lease arrangements are cancellable by either parties there to as per the terms and condition of the agreements.

NOTE 36: Segment Reporting

The Company is predominantly in the business of execution of HVAC & MEP Contracts and allied activities in India and as such there are no separate reportable segments. The Company has started the manufacturing activity of HYBRID SOLAR THERMAL PANELS but the activity is not significant till accounting date.

NOTE 37: PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current periods classification/ disclosure.

As per our Report of even date

For JCR & Co.

Chartered Accountants

FRN : 105270W

For and on behalf of the Board of Directors

Mitesh D. Chheda

Partner

M. No. 160688

Krishna Mehta

Director

DIN 08458633

Parth Mehta

Director

DIN 08458118

Place: Mumbai

Date: 30th June, 2021

Manisha Mehta

CFO

Zainab Chanki

CS

PERFECT INFRAENGINEERS LIMITED										
Note: 12 TANGIBLE ASSETS										
Notes forming part of Financial Statements for the period ended 31 March, 2021										
(Current Year)										
Particulars	GROSS BLOCK				DEPRECIATION				Net Block	Net Block
	Balance as on 01-Apr-20	Addition year	Deduction year	Balance as on 31-Mar-21	Balance as on 01-Apr-20	For the year	Adjustment/ Deletion	Total Depreciation	Balance as on 31-Mar-21	Balance as on 31-Mar-20
TANGIBLE ASSETS	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Buildings										
Office Buildings	65,21,950	-	-	65,21,950	20,69,607	2,16,829	-	22,86,436	42,35,514	44,52,343
Guest House	1,82,56,736	-	-	1,82,56,736	51,32,005	6,39,174	-	57,71,180	1,24,85,556	1,31,24,731
(b) Plant & Equipments										
Owned	58,80,473	-	-	58,80,473	21,08,620	6,82,705	-	16,08,198	30,89,148	36,24,571
Owned, Given on Hire	3,52,18,124	-	-	3,52,18,124	2,97,54,163	9,88,977	-	3,00,55,623	44,74,984	53,39,685
(c) Furniture & Fixtures	43,18,544	-	-	43,18,544	31,37,659	3,05,731	-	33,39,372	8,75,154	11,62,436
(d) Vehicles	38,49,101	-	11,62,618	26,86,483	33,82,276	1,19,787	11,62,618	23,39,445	3,47,038	4,66,825
(e) Office Equipment										
Office Equipment	3,92,744	-	-	3,92,744	3,73,107	-	-	3,73,107	19,637	19,637
Computer	23,80,586	-	-	23,80,586	22,43,403	18,154	-	22,02,390	1,19,029	1,37,183
INTANGIBLE ASSETS										
(a) Software	11,10,662	-	10,26,392	84,270	9,75,073	51,319	10,26,392	-	4,214	51,319
(b) Intangible R&D	17,35,419	-	-	17,35,419	86,771	1,73,541.90	-	2,60,313	14,75,106	16,48,648
(c) Technical know how fees	-	8,89,45,693	-	8,89,45,693	-	6,09,217.08	-	6,09,217	8,83,36,476	-
Work In Progress										
(a) Technical know how fees	8,89,45,693	-	8,89,45,693	-	-	-	-	-	-	8,89,45,693
(b) Capital Wip	-	-	-	-	-	-	-	-	-	-
Asset Held for Sale										
Factory Building	3,58,67,700	-	3,58,67,700	-	1,57,53,711	12,24,684	1,69,78,396	-	-	2,01,13,989
TOTAL	20,44,77,732	8,89,45,693	12,70,02,403	16,64,21,022	6,50,16,395	50,30,120	1,91,67,405	4,88,45,281	11,54,61,855	13,90,87,059
Previous year	15,67,41,004	4,15,78,157	17,35,419	19,65,83,742	5,74,69,836	49,66,720	1,64,898	6,22,71,658	13,43,12,084	9,92,71,169

Note: 12.1

Consequent to the enactment of the Companies Act, 2013 (the Act) applicable from April 01, 2014, the Company has reassessed the remaining useful life of fixed assets under Schedule II to the Act; accordingly depreciation is provided as per the rate and method prescribed under Schedule II of the Companies Act, 2013. The excess depreciation charged in the previous year has been restated.

Note: 12.2

Depreciation on Technical know how capitalized under Intangible assets will be amortised in accordance with AS 26 considering its useful life to be ten years. The amortisation will start with the acquisition of complete rights. Technical know how fees paid for acquiring licence rights of innovative HVAC products. In current year, company has acquired this rights in month of March 2021 and amortization has been

Note: 12.3

In accordance with the Accounting Standard (AS 28) on "Impairment of Assets" the Management during the previous year carried out an exercise of identifying assets that many have been, impaired in respect of each Cash Generating Unit. On the basis of this review carried out by the Management, there was no impairment loss on Fixed Asset during the year ended March 31, 2021.

Note: 12.4

During the FY 2020-21, company has sold the Rabale Factory for reducing the debt and taken the same on Lease



INDEPENDENT AUDITOR'S REPORT

To the Members of PERFECT INFRAENGINEERS LIMITED Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of PERFECT INFRAENGINEERS 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.

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

Our opinion is not modified for this matter.

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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note 33 to the Statement, which describes the uncertainty caused by Covid-19 pandemic and the assessment made by the management on its business and financials. This assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods.

We draw your attention to Note 4.2(f) to the Statement, whereby it describes that the Company has been negotiating existing facilities with TDB which can impact future liquidity.

The balances in Trade Receivables and Trade Payables are subject to confirmations.

Due to the Covid-19 related lockdown, we were unable to observe the Management's year-end physical verification of inventory amounting to Rs.7.21 crores. We have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items". We observed that company has many slow moving items in inventory.

The internal Audit reports for the year ended were not available till our reporting.



The company has reversed the Professional Tax Liability of Rs 1.49 lakhs as liability ceases to exist as per them.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report

The Company's Board of Directors is responsible for the other information. The other information comprises of the information included in the Board of Directors report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon

Other Matters

The opinion expressed in the present report includes the information, facts and inputs made available to us through electronic means by the Company's Management and relied upon by us because the Covid-19 had induced restrictions on physical movements.

Our opinion is not modified in respect of this matter.

Management's Responsibility for the Standalone 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 standalone 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are 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, we are required to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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. 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. We have received the mail confirmation from the company that none of the directors are disqualified as on 31st March, 2021 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”**.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. We are not aware about any other pending litigations which would impact its financial position except those mentioned in notes to accounts to the financial statement.
 - 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 JCR & Co
Chartered Accountants
FRN- 105270W

Sd/-
Mitesh Chheda
Partner
Mem. No. 160688

Date: 30th June, 2021
Place: Mumbai
UDIN:

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 1 of our Report of even date to the Members of PERFECT INFRAENGINEERS LIMITED on the Standalone Financial Statements of the Company for the year ended 31st March, 2021.

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

(i). In respect of Company’s Fixed Assets:

- (a). The Company has maintained records showing full particulars, including quantitative details and the situation of Fixed Assets. However, the asset tagging is not there and need to be done as part of improvement and demarcation.
- (b). We do have not information about the Fixed Assets been physically verified by the management at reasonable intervals and hence cannot comment if any material discrepancies were noticed on such verification.
- (c). According to the information and explanations given to us and the records examined by us and based on the examination of the title deeds comprising the immovable properties are held in the name of the Company. However, we could verify only the photocopies as original title deeds for most of the properties were lying with the bank as collateral securities.

(ii). We do not have information about the Inventory been physically verified by the management at reasonable intervals. Please refer to emphasis of matter in main audit report.

(iii). According to the information and explanations given to us, the Company has taken ny loans, secured or unsecured to/from companies, firms, limited liability partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Hence, the provisions of Clause(iii) of the Order are not applicable.

(iv). According to the information and explanations given to us and the records examined by us, the company has not granted any loans during the year covered under Sections 185 &186 of the Act. Investments made by the Company are in compliance with the provisions of Section 186 of the Act.

(v). According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year covered under Sections 73 to 76 of the Act.

(vi). According to the information and explanations given to us, maintenance of Cost Records has not been prescribed by the Central Government under Sub-section (1) of Section 148 of the Act.

(vii). According to the information and explanations given to us in respect of Statutory Dues:

- (a). According to the information and explanations given to us and based on the records of the Company examined by us, except for Rs.45.35 Lakhs due towards TDS, PT and GST (Details provided below), the company is regular in depositing the undisputed Statutory Dues including Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, Custom Duty, Value Added Tax, Cess and any other material Statutory Dues to the extent applicable with appropriate authorities in India.



applicable and the details of related party transactions have been disclosed in the Standalone Financials Statements as required by the applicable accounting standards.

- (xiv). According to the information and explanations provided to us and on an overall examination of the Balance Sheet, the Company has made any preferential allotment or private placement of shares during the year under review and hence, reporting requirements under Clause (xiv) of the Order are not applicable to the Company and, not commented upon.
- (xv). According to the information and explanations given to us, the Company has not entered into non-cash transactions with the Directors or persons connected with him and hence the provisions of Clause (xv) are not applicable to the Company.
- (xvi). According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For JCR & Co
Chartered Accountants
FRN- 105270W

Sd/-
Mitesh Chheda
Partner
Mem. No. 160688

Date: 30th June, 2021
Place: Mumbai

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Perfect Infraengineers Limited of even date)

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

We have audited the internal financial controls over financial reporting of **PERFECT INFRAENGINEERS LIMITED** (“the Company”) as of March 31, 2021 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

According to the information and explanations given to us and based on our audit, the following significant weakness has been identified as at 31st March, 2021:

The control mechanism in respect of recording of transactions needs improvement

In our opinion, except for the possible effects of the significant weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financials controls over financial reporting were operating effectively as of 31st March, 2021, 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 JCR & Co
Chartered Accountants
FRN- 105270W

Sd/-
Mitesh Chheda
Partner
Mem. No. 160688

Date: 30th June, 2021
Place: Mumbai

PERFECT INFRAENGINEERS LIMITED
Audited Standalone Balance Sheet as on 31st March,2021

Amount in Rs.

Particulars	Note no.	As at 31st March,2021	As at 31st March,2020
I EQUITY & LIABILITIES			
EQUITY			
(a) Share capital	2	110,637,780	100,637,780
(b) Other Equity	3	115,747,628	100,634,753
© Application money received pending allotment	3		26,795,615
LIABILITIES			
Non-current liabilities			
(a) Long-term borrowings	4	46,202,982	54,760,744
(b) Deferred tax liability (net)	5	4,747,200	2,227,484
(c) Other long - term liabilities	6	101,600	87,550
(d) Long-term provisions	7	1,095,792	880,738
Current liabilities			
(a) Short-term borrowings	8	50,269,035	88,824,012
(b) Trade payables	9	20,393,969	21,311,536
(c) Other current liabilities	10	9,684,947	9,746,006
(d) Short-term provisions	11	1,237,936	1,047,998
TOTAL EQUITY & LIABILITIES		360,118,870	406,954,215
II. ASSETS			
Non-current assets			
<u>(a) Property, Plant and Equipments</u>			
Tangible assets	12	21,041,062	43,666,424
Intangible assets	12	89,811,582	1,699,967
Capital Work In Progress	12	-	88,945,693
(b) Non Current Investments	13	10,093,122	10,093,122
(c) Long-term loans and advances	14	10,659,897	9,759,897
(d) Other non-current assets	15	2,003,568	1,338,063
Current assets			
(a) Inventories	16	72,096,910	72,526,933
(b) Trade receivables	17	67,689,947	83,983,001
(c) Cash and bank balances	18	1,921,130	4,593,381
(d) Short-term loans and advances	19	11,502,670	11,552,239
(e) Other current assets	20	73,298,982	78,795,497
Assets held for sale		-	-
TOTAL ASSETS		360,118,870	406,954,215

0

Notes form an integral part of the financial statements 2 to 37

For JCR & Co.
Chartered Accountants
FRN : 105270W

For and on behalf of the Board of Directors

Mitesh D. Chheda
Partner
M. No. 160688

Krishna Mehta
Director
DIN 08458633

Parth Mehta
Director
DIN 08458118

Place: Mumbai
Date: 30th June, 2021

Manisha Mehta
CFO

Zainab Chanki
CS

PERFECT INFRAENGINEERS LIMITED
Audited Standalone Statement of Profit & Loss for year ended 31st March, 2021

Particulars	Note No.	31st March,2021	31st March,2020
I. Revenue from operations	21	12,959,037	54,319,909
II. Other Income	22	22,657,409	729,884
III. Total Revenue (I + II)		35,616,446	55,049,792
IV. <u>Expenses:</u>			
Cost of Materials/Services Consumed	23	9,849,247	24,512,055
Employee benefits expense	24	6,398,700	4,664,575
Finance costs	25	4,904,511	13,302,211
Depreciation and amortization expense	12	4,570,136	4,801,822
Other expenses	26	8,813,607	7,471,289
Total Expenses		34,536,201	54,751,952
V. Profit before tax (III- IV)		1,080,245	297,840
VI. Tax Expense:			
(1) Current tax		237,654	68,146.00
(2) Deferred tax Liability /(Asset)		2,519,716	(125,196)
(3) Excess Provision of Previous Year			
		2,757,370	(57,050)
VII. Profit (Loss) for the period (V-VI)		(1,677,125)	354,890
VIII. Earnings per equity share:			
Face value of Rs. 10 each			
-Basic and Diluted		-0.17	0.04

Significant Accounting Policies

Notes form an integral part of the financial 2 to 37

For JCR & Co.
Chartered Accountants
FRN : 105270W

For and on behalf of the Board of Directors

Mitesh D. Chheda
Partner
M. No. 160688

Krishna Mehta
Director
DIN 08458633

Parth Mehta
Director
DIN 08458118

Place: Mumbai
Date: 30th June, 2021

Manisha Mehta
CFO

Zainab Chanki
CS

PERFECT INFRAENGINEERS LIMITED
Audited Standalone Cashflow Statement for the year ended 31st March,2021

Particulars	FOR THE YEAR ENDED MARCH 31,2021	FOR THE YEAR ENDED MARCH 31,2020
CASH FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax and extraordinary items:	1,080,245	297,840
Depreciation	4,570,136	4,801,822
Interest Income	(15,876)	(305,463)
Provisions and credit Balances written back	(2,324)	(247,901)
Discount	2,700,010	-
(Profit)/Loss on sale of fixed assets	(19,260,694)	-
Excess Provision written off	(3,308,015)	-
Interest on Borrowings	4,904,511	13,302,211
Share Issue Expenses W/off	367,059	1,763,536
Income Tax Provisions	(2,757,370)	-
Operating Profit before Working Capital changes	(11,722,318)	19,612,045
Adjustments for:		
Inventories (Increase) / Decrease	430,023	(3,876,182)
Trade Receivables (Increase)/Decrease	16,293,054	(18,545,307)
Loans and advances (Increase) /Decrease	(850,431)	1,057,911
Other non current assets and Current Assets (Increase)/Decrease	4,831,009	7,109,695
Trade payables Increase / (Decrease)	(917,566)	(4,232,107)
Other current liabilities and provisions Increase/ (Decrease)	357,983	(4,468,429)
Increase/(Decrease) in Deferred Tax liability	2,519,716	-
Cash generated from Operations	10,941,469	(3,342,374)
Direct taxes received / (paid)	237,654	(31,854)
Net Prior Year adjustments	-	-
Cash Flow from Operating Activities	11,179,123	(3,374,228)
Extraordinary items:		
Extraordinary item	-	-
Net Cash from Operating Activities: (A)	11,179,123	(3,374,228)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investment	-	(12,786,383)
Purchases of Fixed Assets \WIP\Capital Advance	0	-
Proceeds from Sale of Fixed Assets	38,150,000	-
Interest Income	15,876	305,463
Net cash generated from/(used in) investing activities (B)	38,165,876	(12,480,920)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Fresh Issue	-	-
Increase (Decrease) in Unsecured Loans	(8,557,762)	(29,690)
Increase/(Decrease) in Loans from Bank TDB	-	26,300,000
Increase/(Decrease) in Short Term Borrowings	(38,554,976)	1,469,903
Interest /Finance Charges paid	(4,904,511)	(13,302,211)
Dividend Paid / Dividend Distribution Tax Paid	-	-
Share issue Expenses	-	-
Fixed Deposit held with Bank as margin Money	4,688,139	1,103,923
Net cash received from/(used in) financing activities (C)	(47,329,110)	15,541,925
Net increase in cash and cash equivalents (A + B + C)	2,015,889	(313,223)
Cash and cash equivalents (Opening)	(1,492,542)	(536,984)
Cash and cash equivalents (Closing)	523,347	(1,492,542)

(i) The above Cash Flow Statement has been prepared under the " Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement".

(ii) Previous year's figures have been regrouped/rearranged/recast wherever necessary to make them comparable with those of current year.

For JCR & Co.
Chartered Accountants
FRN : 105270W

For and on behalf of the Board of Directors

Mitesh D. Chheda
Partner
M. No. 160688

Krishna Mehta
Director
DIN 08458633

Parth Mehta
Director
DIN 08458118

Place: Mumbai
Date: 30th June, 2021

Manisha Mehta
CFO

Zainab Chanki
CS

PERFECT INFRAENGINEERS LIMITED

Notes to financial statements for the year ended 31st March, 2021

NOTE 2: SHARE CAPITAL

	31st March,2021		31st March,2020	
2.1 Authorised				
Equity Shares of Rs. 10/- each	1,30,00,000	13,00,00,000	1,30,00,000	13,00,00,000
2.2 Issued, Subscribed & Paid up				
Shares at the beginning of the period	1,00,63,778	10,06,37,780	1,00,63,778	10,06,37,780
Add: Issued during the year	10,00,000	1,00,00,000	-	-
Add: Issued Bonus shares	-	-	-	-
Shares at the end of the period	1,10,63,778	11,06,37,780	1,00,63,778	10,06,37,780
2.3 Reconciliation of Number of Shares				
Outstanding at Beginning of the period	1,00,63,778		1,00,63,778	
Add: Issued during the year for Cash	10,00,000		-	
Outstanding at the end of the period	1,10,63,778		1,00,63,778	
2.4 Aggregate Number of Shares issued for consideration by cash and shares bought back during the period of five years immediately preceding the reporting date:				
Shares issued against Unsecured loan from directors			6,18,519	
			6,18,519	
Total	1,00,63,778		1,00,63,778	

2.5 Details of Shareholder holding more than 5% shares

Name of Shareholder	Number	% of Holding	Number	% of Holding
Mr. Nimesh Mehta (**)	24,34,053	24.19	26,33,572	26.17
Mrs. Manisha Mehta (**)	25,82,832	25.65	25,52,832	25.37
Suntrac Solar Manufacturing LLC	10,00,000	9.04	-	-

** Total 57% of promoters holding are pledged with TDB as security towards soft loans of Rs. 750 Lakhs sanctioned to the company.

2.6 Terms /Rights attached to the Equity Shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to vote on show of hands unless a poll is demanded. Accordingly, all equity shares rank equally with regards to dividends and shares in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

Note 3: SURPLUS

	31st March,2021	31st March,2020
3.1 Security Premium		
Opening Balance	7,38,76,290	7,38,76,290
Add: Addition during current year	1,67,90,000	-
Less: Utilised for issue of Bonus Shares		
Closing Balance	9,06,66,290	7,38,76,290
3.2 Statement of Profit & Loss		
Opening Balance	2,67,58,463	2,64,03,573
Add: Net Profit/(Net Loss) for the Period	(16,77,125)	3,54,890
	2,50,81,338	2,67,58,463
Add: Transferred to General Reserve		
Closing Balance	2,50,81,338	2,67,58,463
	11,57,47,628	10,06,34,753

PERFECT INFRAENGINEERS LIMITED
Notes to financial statements for the year ended 31st March, 2021

Note 4:	LONG TERM BORROWINGS	31st March,2021	31st March,2020
	(Secured)		
	Term Loan from Banks		
	Term Loan From Others		
	Technology Development Board (TDB) (refer note 4.2 f)	4,50,00,000	4,50,00,000
	(Unsecured)		
	From Others		
	Loan from Directors	12,02,982	12,60,744
	Others		85,00,000
		4,62,02,982	5,47,60,744

Term Loans from Banks & Financial Institutions are secured by way of :

4.1 a) Directors of the Company have extended Unsecured Loan including Ex Directors

4.2 a) Exclusive charge by way of Hypothecation over all movable assets, present and future;

b) Collateral Security by way of Equitable mortgage of Immovable Properties owned by the Company situated at Ghatkopar West and Village Dasve and Rabale Midc in Navi Mumbai

c) Collateral Security by way of Equitable mortgage of certain residential Properties owned by Directors;

d) Directors of the Company have extended a Personal Guarantee.

e) Pledge of Shares : Company has got sanction of Rs. 750 Lacs as Soft Loan from TDB towards "Development and Commercialisation of Hybrid Thermal System" (company has pledged promoters equity shares holding of 2977885 shares, plus mortgage of Land and Building, hypothecation of movable assets (present and future))

f) Loan has been recalled by TDB and they have asked for repayment. However, management is in the process of re-negotiating the terms with TDB and to enter into fresh arrangement with fresh repayment schedules, which is under process.

Note 5:	DEFERRED TAX LIABILITIES (Net)	31st March,2021	31st March,2020
5.1	Deferred Tax Liability (A)	22,27,484	23,52,680
	Depreciation/Adjustment	25,19,716	(1,25,196)
5.2	Deferred Tax Asset (B)		
	On account of Disallowance U/s. 43 B		-
		47,47,200	22,27,484

Note 6:	OTHER LONG TERM LIABILITIES	31st March,2021	31st March,2020
	Deposits from Customers	1,01,600	87,550
		1,01,600	87,550

Note 7:	LONG TERM PROVISIONS	31st March,2021	31st March,2020
	Provision For Gratuity	10,95,792	8,80,738
		10,95,792	8,80,738

7.1 Gratuity payable is provided on Actuarial Valuation basis, However the company has not created any fund towards payment of same.

Note 8:	SHORT TERM BORROWINGS	31st March,2021	31st March,2020
	(Secured)		
8.1	ICICI Bank (refer note 8.1)	5,02,69,035	6,16,22,203
8.2	The National Small Industries Corporation Ltd (refer note 8.2)	-	2,72,01,809
		5,02,69,035	8,88,24,012
		5,02,69,035	8,88,24,012

8.1 Cash Credit facility from ICICI Bank is secured by :

a) Exclusive charge by way of Hypothecation over all movable assets, present and future;

b) Collateral Security by way of Equitable mortgage of Immovable Properties owned by the Company situated at Ghatkopar West, Thane West and Village Dasve and Equitable mortgage of Plot at Rabale; Rabale factory has been sold and 3.90 million has been repaid out of proceeds received from sale of factory

c) Collateral Security by way of Equitable mortgage of certain residential Properties owned by Directors;

d) Directors of the Company have extended a Personal Guarantee.

e) During the FY 20-21, the Company had entered into One Time Settlement (OTS) proposal with ICICI and few payments were also made. However, Company will again negotiate the terms with them for repayment.

8.2 The loan from National Small Industries Corporation Limited was secured by Bank Guarantee issued and repaid during FY 20-21

Note 9:	TRADE PAYABLES	31st March,2021	31st March,2020
	Trade Payables-for Goods & Services (Including acceptances)		
	A. Total Outstanding dues of Micro enterprises and Small Enterprises	-	-
	B Total Outstanding dues of other than Micro enterprises and Small Enterprises	2,03,93,969	2,13,11,536
		2,03,93,969	2,13,11,536

* As the Company have not received confirmation from suppliers registered under Micro enterprises and Small enterprises, all outstanding assumed of other enterprises

9.1 Trade Payables Includes payable to Subsidiary Company

9.2 Trade Payable has been breakup in Current and non current based on outstanding for less than 365 days or more

9.3 The balances of Trade Payables are subject to reconciliation and confirmation. Appropriate adjustment if necessary will be considered in the year of reconciliation.

PERFECT INFRAENGINEERS LIMITED
Notes to financial statements for the year ended 31st March, 2021

Note 10:	OTHER CURRENT LIABILITIES	31st March,2021	31st March,2020
1	Current Maturities of Long Term Liabilities (for security refer note 4.1 to 4.4)	-	-
2	Interest Accrued but not due	35,30,991	12,80,991
3	Statutory Dues payable	44,31,600	76,32,348
4	Security Deposit	9,00,000	-
5	Employee Benefit payable	71,090	1,66,090
6	Director Salary Payable	3,53,494	92,994
7	Advance Income	3,25,283	5,31,396
8	Other payables	72,489	42,187
		96,84,947	97,46,006
Note 11:	SHORT TERM PROVISIONS	31st March,2021	31st March,2020
1	Provision for Gratuity	1,13,514	1,61,230
2	Provision for Income Tax (Net of Advance Tax & TDS)	11,24,422	8,86,768
		12,37,936	10,47,998
Note 13:	NON CURRENT INVESTMENTS	31st March,2021	31st March,2020
	Trade		
	Unquoted Investments		
13.1	In Subsidiaries		
	Investments in Equity Instruments		
	Perfect Controls Panels Private Limited	1,00,06,000	1,00,06,000
	10,00,600 (10,00,000) Shares of Rs. 10 each, fully paid		
	Non Trade		
	Investments in Mutual Funds		
	Kotak Select Fund	20,000	20,000
	[2,000 Units (2,000 Units) of Rs. 10 each]		
	Total Quoted Investments	20,000	20,000
	Aggregate Market Value of Quoted Shares	71,960	71,960
13.3	Unquoted Investments		
	National Savings Certificate	20,000	20,000
	Total Unquoted Investments	20,000	20,000
13.4	Other Investment : Gold Coin	47,122	47,122
		1,00,93,122	1,00,93,122
13.5	For basis of valuation refer note no. 1.7 of Significant Accounting Policy		
Note 14:	LONG TERMS LOANS & ADVANCES	31st March,2021	31st March,2020
	(Unsecured Considered Good)		
1	Capital Advances (see note 14.1)	94,62,800	94,62,800
2	Rent Deposit	9,00,000	
3	Deposit with Suppliers	67,097	67,097
4	Other Deposits	2,30,000	2,30,000
		1,06,59,897	97,59,897
14.1	Advance for purchase of immoveable property at Pune Taluka		
Note 15:	OTHER NON CURRENT ASSETS	31st March,2021	31st March,2020
	(Unsecured Considered Good)		
1	Retention with customers		
2	Advance & SA tax & TDS (net of provision for tax of prev years)	20,03,568	9,71,004
3	Miscellaneous Exp (to the extent not W/off)	-	3,67,059
		20,03,568	13,38,063
15.3	Miscellaneous Exp (to the extent not W/off) Consists of unamortised portion of issue related expenses of Initial Public Offering, which are amortised over a period of 5 years as per Company's accounting policy		
Note 16:	INVENTORIES	31st March,2021	31st March,2020
	Stock of raw materials		
	Stock of Spares and Components		
	Others	7,20,96,910	7,25,26,933
		7,20,96,910	7,25,26,933
	For basis of valuation refer note no. 1.8 of Significant Accounting Policy		

PERFECT INFRAENGINEERS LIMITED**Notes to financial statements for the year ended 31st March, 2021****Note 17: TRADE RECEIVABLES****31st March,2021****31st March,2020****1 Trade Receivables**

- a. Trade Receivables considered good - Secured
- b. Trade Receivables considered good - Unsecured
- c. Trade Receivables which have significant increase in Credit Risk;
- d. Trade Receivables - Credit impaired

(Unsecured Considered Good)

Outstanding for less than six months 1,78,36,417

Outstanding for a Period exceeding six months 4,98,53,530

(From the due date of payment)

Others

67,689,947

27,263,143

56,719,858

67,689,947**83,983,001**

17.1 The Balances of Trade Receivables are subject to reconciliation and confirmation. Appropriate adjustment if necessary will be considered in the year of reconciliation.

Note 18: CASH & BANK BALANCES**31st March,2021****31st March,2020****Cash and cash equivalents**

Cash on hand 548,379

570,164

Balance with Banks

Balances with banks (25,032)

(2,062,706)

1 Margin Money for Bank Guarantees

1,397,783

6,085,922

1,921,130**4,593,381**

18.1 Represents Fixed Deposits pledged with bank as margin money for the issue of bank guarantees

Note 19: SHORT TERM LOANS & ADVANCES**31st March,2021****31st March,2020**

(Unsecured Considered Good)

Advance to Suppliers 2,623,803

2,623,803

Advance to Employees 31,865

Deposit_ Govt Authorities_ pending Cases 1,482,699

Other Advances & Deposits 7,396,167

7,413,871

11,502,670**11,552,239**

19.1 The Balances of Short Term Loans and advances are subject to reconciliation and confirmation. Appropriate adjustment if necessary will be considered in the year of reconciliation.

Note 20: OTHER CURRENT ASSETS**31st March,2021****31st March,2020**

(Unsecured Considered Good)

Retention with customers 6,954,158

7,762,618

WIP - Contract Asset 59,626,141

60,264,509

Prepaid expenses 21,964

Accrued Interest on Bank Fixed Deposit/NSC 7,722

Due from Ex-employees - -

Other Receivable 4,568,079

8,595,802

Miscellaneous Expenses (to the extent not w/off) (Refer Note No. 15.1) 2,079,849

2,079,849

Other assets

TDS Recoverable 63,033

63,033

73,298,982**78,795,497****Note 21: REVENUE FROM OPERATIONS****31st March,2021****31st March,2020**

Trading/ Installation & Commissioning of AC 3,069,942

36,521,886

Renting of Air Conditioners 6,375,228

6,103,288

Sale of Services 2,132,546

9,045,720

Operating income 920,953

844,818

Other operating income 460,368

1,804,197

12,959,037**54,319,909****Note 22: OTHER INCOME****31st March,2021****31st March,2020**

Interest Income from Bank Deposits 15,876

305,463

Profit on Sale of Fixed Asset 19,260,694

-

Sundry provisions and credit balances no longer required, written back 2,324

264,421

Excess Provision of Income Tax no longer required 3,308,015

-

Rent Income 70,500

160,000

22,657,409**729,884**

PERFECT INFRAENGINEERS LIMITED
Notes to financial statements for the year ended 31st March, 2021

Note 23:	<u>COST OF MATERIALS / SERVICES CONSUMED</u>	31st March,2021	31st March,2020
	Opening Stock of Raw Material	7,25,26,933.00	6,86,50,751.00
	Purchases	76,62,134.61	2,06,97,760.33
	Machine Hire Charges	-	-
	Labour	26,333.00	53,860.00
	Site expenses	17,30,756.00	76,36,617.03
	Less: Closing Stock of Raw Material	7,20,96,909.73	7,25,26,933.00
		98,49,247	2,45,12,055
Note 24:	<u>EMPLOYEE BENEFIT EXPENSES</u>	31st March,2021	31st March,2020
	Salaries, wages and bonus	60,64,172.26	44,56,072.00
	Contribution to provident and other funds	1,40,490.00	2,08,503.00
	Gratuity	1,94,038.00	-
		63,98,700	46,64,575
Note 25:	<u>FINANCE EXPENSES</u>	31st March,2021	31st March,2020
	Interest paid to Banks	48,12,387	1,30,67,295
	Interest Paid to Others	-	-
	Other Borrowing Costs	92,124	2,34,916
		49,04,511	1,33,02,211
Note 26:	<u>OTHER EXPENSES</u>	31st March,2021	31st March,2020
1	Auditor's Remuneration (Refer Note 26.1)	2,33,000	1,75,000
2	Communication Costs	67,474	1,68,271
3	Business Promotion expenses	41,500	66,362
4	Discount	17,96,578	-
5	Insurance	50,128	2,02,261
6	Legal & Professional Fees	7,52,353	11,11,890
7	Miscellaneous Expenses	5,88,738	89,141
8	Packing Expenses	1,462	-
9	Power & Fuel	2,65,484	4,55,628
10	Postage & Courier Charges	1,000	18,827
11	Printing & Stationery	4,290	1,27,325
12	Office exp	3,34,460	20,645
13	Rent Rates & Taxes	13,50,000	1,32,435
14	Repairs and Maintenance Expenses	1,36,092	3,94,680
15	Security services	2,60,000	2,20,000
16	Indirect Taxes Paid	2,62,591	-
17	Transportation charges	3,02,988	1,74,310
18	Society Maintenance Charges	58,137	3,08,260
19	Sitting Fees	2,49,000	-
20	Travelling & Conveyance	7,61,280	18,63,698
21	Share Issue Expenses W/off	3,67,059	17,63,536
22	Late Fee on TDS	-	-
23	Sales Deduction expenses	-	16,520
24	ROC Fees	14,800	1,62,500
25	Bad Debts	9,15,194.17	-
		88,13,607	74,71,289
26.1 Payment to Auditor		31st March,2021	31st March,2020
	Statutory Audit fees	2,33,000	1,75,000
		2,33,000	1,75,000

PERFECT INFRAENGINEERS LIMITED

Notes to financial statements for the year ended 31st March, 2021

NOTE 27: EARNINGS PER SHARE

The Company reports earnings per shares (EPS) in accordance with AS 20, on 'Earnings per Share' issued by ICAI. Basic EPS is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Particulars	31st March,2021	31st Mar 2020
Profit before Tax	10,80,245	2,97,840
Less :		
Provision for Tax & Deferred Tax	27,57,370	(57,050)
Profit after tax	(16,77,125)	3,54,890
Weighted Number of Shares	1,01,32,271	1,00,63,778
Basic & Diluted EPS	<u>(0.17)</u>	<u>0.04</u>

NOTE 28: RELATED PARTY DISCLOSURES

Related parties with whom transactions have taken place during the period

Key Management Personnel

Designation	
CEO	Mr. Nimesh Mehta
CFO	Mrs. Manisha Mehta
CS	Mrs. Zainab Chanki (wef.14/11/2020)
Director	Mr. Parth Mehta
Director	Mr. Krishna Mehta (wef 12/03/2021)

Independent Directors

Mr Arun Singh (wef. 21/12/2020)
Ms Gurinderkaur Multani (wef. 21/12/2020)
Mr Rakesh Chauhan (wef. 21/12/2020)
Mr B P Singh (upto 01/02/2021)

Subsidiary Company (wholly owned -100%)

Perfect Control Panel Pvt Ltd

Related Party Transactions :

Particulars	31st March,2021	31st Mar 2020
<u>Key Management Personnel</u>		
Remuneration to Directors	4,12,832	29,50,800
<u>Subsidiary Company</u>		
Rent Received	-	-
Purchase of Material	53,58,850	76,40,989
Sale of Goods	-	52,85,306
Reimbursement of Expenses to	-	29,61,767
<u>Outstanding Balances</u>		
<u>Subsidiary</u>		
Investment	1,00,06,000	1,00,06,000
Trade Payables	1,11,39,099	84,90,816
<u>Key Management Personnel</u>		
Trade receivables		
Remuneration Payable (All KMP)	4,46,326	92,994
Loan Payable	12,95,880	12,60,744
Security Deposit received from CFO	9,00,000	

DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED

NOTE 29: UNDER THE MSMED ACT, 2006:

Disclosure in accordance with Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

As at March 31, 2021, no supplier has intimated to the Company about its status as Micro or Small Enterprises or its registration with the appropriate authority under MSMED and hence information pertaining to Disclosure in accordance with Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is not furnished by the Company.

PERFECT INFRAENGINEERS LIMITED

Notes to financial statements for the year ended 31st March, 2021

NOTE 30: CONTINGENT LIABILITIES & COMMITMENTS

31st March, 2021

31st Mar 2020

Description**30.1 CONTINGENT LIABILITIES**

Bank Guarantees

Disputed Sales Tax liabilities for which appeal has been filed

(Amount deposited Rs.2,987,511 (204,478))

Disputed Income Tax liabilities of Rs. 1,74,55,380 for AY 18-19 for which appeal has been filed**30.2 COMMITMENTS**

Estimated amount of capital commitments not provided for

(Net of Advances)

CLAIMS AGAINST COMPANY NOT ACKNOWLEDGED AS**30.3 DEBT****30.3 A Cases filed against company**

Eleven cases filed against company (PY Sixteen cases were filed)

7,117,699

6,302,629

30.3.B Cases filed by company**Matters with Court**

- i Leo and Coronea Hotels (Claim amount Rs. 27,50,000/- and Rs. 25,00,000/- EMD Recovery)

Matters under Insolvency and Bankruptcy Code 2016 (NCLT)

- ii Chartered Hotels (Claim amount Rs. 56,62,407/- under Insolvency and Bankruptcy Code, 2016)
- iii Mumbai Metro One P. Ltd. (Claim amount Rs. 1,87,075/- under Insolvency and Bankruptcy Code, 2016 Notice served in Aug, 2018 and claim will be filed with authority on its direction)
- iv Unity Infra (Claim Rs. 96,68,428 however matter is pending under Insolvency and Bankruptcy Resolution Professional. COC Meeting has approved Rs. 31,17,480/-. The said matter is pending with honourable National Company Law Tribunal - Mumbai and yet to be decided.

Note: In view of the unprecedented COVID 19 situation the company expects uncertainty in recovery of above receivables and therefore have decided to initiate provision against such receivables**30.4**

The Sale tax Authorities have carried out survey/search in respect of the Company's operations In Maharashtra under MVAT Act, 2005 on 5/4/2016. No specific demand is raised on the Company so far and also the Management is confident that no major liability will be payable by the Company in respect of the said search/survey. Meanwhile the Company has deposited Rs.20,00,000/- under protest, out of which Rs 517301 has been adjusted in FY 2019-20.

NOTE 31: EARNINGS & EXPENDITURE IN FOREIGN CURRENCY (on ACCRUAL BASIS):

Technical know how fees(WIP)

35,676,345

Travelling Expenses

544,694

Export Sales

1,982,405

NOTE 32: VALUE OF IMPORTS (on CIF Basis)

Purchase of Goods

PERFECT INFRAENGINEERS LIMITED

Notes to financial statements for the year ended 31st March, 2021

The global spread of Covid -19 has led to an uncertain and unpredictable path ahead for all of us. The full extent to which the pandemic will impact our future financial results will depend on upcoming developments, which are highly uncertain including any new information concerning the severity of the pandemic and the action to mitigate its spread as advised by local authorities. The company has considered the possible effects that may result from the pandemic on the financial results. In developing the assumptions relating to the possible future uncertainties in the economic conditions of this pandemic, the company has used internal and external sources of information.

NOTE 33:

Ministry of Finance announced amendment in the form of reduced tax rate vide Taxation Laws (Amendment) Ordinance 2019 by inserting a new section 115BAA in the Income Tax Act, 1961. The amendments would be applicable from the previous year 2019-20 (AY 2020-21). As per the new section, the domestic Company may exercise the option of payment of tax at reduced rate of 22% subject to the condition that the company will not avail certain deductions/exemptions. The company has opted for the reduced rate of income tax. This has resulted in one time effect on PAT of Rs.3,03,748 due to reduction in deferred tax liability.

NOTE 34:**NOTE 35: Operating Leases**

The Company's lease agreements are in respect of operating lease for office premises. These lease arrangements are cancellable by either parties there to as per the terms and condition of the agreements.

NOTE 36: Segment Reporting

The Company is predominantly in the business of execution of HVAC & MEP Contracts and allied activities in India and as such there are no separate reportable segments. The Company trades in HYBRID SOLAR THERMAL PANELS but the activity is not significant till accounting date.

NOTE 37: PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current periods classification/ disclosure.

For JCR & Co.
Chartered Accountants
FRN : 105270W

For and on behalf of the Board of Directors

Mitesh D. Chheda
Partner
M. No. 160688

Krishna Mehta
Director
DIN 08458633

Parth Mehta
Director
DIN 08458118

Place: Mumbai
Date: 30th June, 2021

Manisha Mehta
CFO

Zainab Chanki
CS

PERFECT INFRAENGINEERS LIMITED												
Note: 12 TANGIBLE ASSETS												
Notes forming part of Financial Statements for the period ended 31 March, 2021												
(Current Year)												
Particulars	Rate	Rate	GROSS BLOCK				DEPRECIATION				Net Block	
			Balance as on 01-Apr-20	Addition year	Deduction year	Balance as on 31-Mar-21	Balance as on 01-Apr-20	For the year	Adjustment/ Deletion	Total Depreciation	Balance as on 31-Mar-21	Balance as on 31-Mar-20
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE ASSETS												
(a) Buildings												
Office Buildings	5.00%	4.87%	65,21,950	-	-	65,21,950	20,69,607	2,16,829	-	22,86,436	42,35,514	44,52,343
Guest House	5.00%	4.87%	1,37,65,536	-	-	1,37,65,536	41,31,089	4,69,198	-	46,00,287	91,65,249	96,34,447
(b) Plant & Equipments												
Owned	13.91%	18.10%	40,30,913	-	-	40,30,913	10,72,775	5,35,423	-	16,08,198	24,22,715	29,58,138
Owned, Given on Hire	13.91%	18.10%	3,39,68,274	-	-	3,39,68,274	2,91,90,922	8,64,701	-	3,00,55,623	39,12,651	47,77,352
(c) Furniture & Fixtures	25.89%	25.89%	41,61,715	-	-	41,61,715	30,52,090	2,87,282	-	33,39,372	8,22,343	11,09,625
(d) Vehicles	25.89%	25.66%	38,49,101	-	11,62,618	26,86,483	33,82,276	1,19,787	11,62,618	23,39,445	3,47,038	4,66,825
(e) Office Equipment												
Office Equipment	45.07%	45.07%	3,92,744	-	-	3,92,744	3,73,107	-	-	3,73,107	19,637	19,637
Computer	63.16%	63.16%	23,18,305	-	-	23,18,305	21,84,236	18,154	-	22,02,390	1,15,915	1,34,069
INTANGIBLE ASSETS												
(a) Software		63.16%	10,26,392	-	10,26,392	-	9,75,073	51,319	10,26,392	-	-	51,319
(b) Intangible R&D			17,35,419	-	-	17,35,419	86,771	1,73,541.90	-	2,60,313	14,75,106	16,48,648
(c) Technical know how fees			-	8,89,45,693	-	8,89,45,693	-	6,09,217.08	-	6,09,217	8,83,36,476	-
Work In Progress												
(a) Technical know how fees		10.00%	8,89,45,693	-	8,89,45,693	-	-	-	-	-	-	8,89,45,693
(b) Capital Wip			-	-	-	-	-	-	-	-	-	-
Asset Held for Sale												
Factory Building	9.50%	9.50%	3,58,67,700	-	3,58,67,700	-	1,57,53,711	12,24,684	1,69,78,396	0	(0)	2,01,13,989
TOTAL			19,65,83,742	8,89,45,693	12,70,02,403	15,85,27,032	6,22,71,658	45,70,136	1,91,67,405	4,76,74,388	11,08,52,644	13,43,12,084
Previous year			15,67,41,004	4,15,78,157	17,35,419	19,65,83,742	5,74,69,836	49,66,720	1,64,898	6,22,71,658	13,43,12,084	9,92,71,169

Note: 12.1

Consequent to the enactment of the Companies Act, 2013 (the Act) applicable from April 01, 2014, the Company has reassessed the remaining useful life of fixed assets under Schedule II to the Act; accordingly depreciation is provided as per the rate and method prescribed under Schedule II of the Companies Act, 2013. The excess depreciation charged in the previous year has been restated.

Note: 12.2

Depreciation on Technical know how capitalized under Intangible assets will be amortised in accordance with AS 26 considering its useful life to be ten years. The amortisation will start with the acquisition of complete rights. Technical know how fees paid for acquiring licence rights of innovative HVAC products. In current year, company has acquired this rights in month of March 2021 and amortization has been started wef March 2021

Note: 12.3

In accordance with the Accounting Standard (AS 28) on "Impairment of Assets" the Management during the previous year carried out an exercise of identifying assets that may have been, impaired in respect of each

Note: 12.4

During the FY 2020-21, company has sold the Rabale Factory for reducing the debt and taken the same on Lease