

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members of  
DESIGN EIGHT PRIVATE LIMITED

**Report on the audit of the financial statements****Opinion**

We have audited the accompanying financial statements of **DESIGN EIGHT PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2021, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013** ('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, its Loss and cash flows for the year ended on that date.

**Basis for opinion**

We conducted our audit in accordance with the standards on auditing 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 Act and the rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our

our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

**Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

**Management's responsibility for the financial statements**

The Company's board of directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards 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 skepticism throughout the audit. We also:

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

attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

#### **Report on other legal and regulatory requirements**

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 Act, We give in the Annexure-"A", a statement on the matters specified in the Paragraph 3 and 4 of the order.

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 financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the **Companies (Accounts) Rules, 2014**;
- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the **Companies (Audit and Auditors) Rules, 2014**, in our opinion and to the best of our information and according to the explanations given to us;
- The Company does not have any pending litigations which would impact its financial position;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

Place: Hyderabad  
Date: 30/11/2021

UDIN: 22200919AAAAAS6137

FOR GOPALDAS JHAWAR  
Chartered Accountants

GOPALDAS JHAWAR  
Membership No. 200919



## **Annexure "A" to the Independent Auditor's Report**

Based on the Audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the company and taking into consideration the information and the explanation given to us and the books of account and other records examined by us in the normal course of audit, we report that:-

### **1. In respect of its Fixed Assets:**

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- b. The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c. According to the information and explanations given to us there are no immovable properties in the name of the company. Hence this clause is not applicable.

### **2. In respect of its Inventories**

As explained to us, the inventories other than material lying with the third parties (which have substantially been confirmed) were physically verified during the year by the Management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed.

3. The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered under section 189 of the Companies Act, 2013. Accordingly the provision of clause 3(iii) has not been commented upon.
4. According to the information and explanations given to us, there are no loans, Investments, Guarantees and Securities, and accordingly the question of complying with Section 185 and 186 of the Companies Act 2013 does not arise. Accordingly the provision of clause 3(iv) has not been commented upon.
5. The Company has not accepted any deposits from the public and hence the compliance to the corresponding section is not applicable as per the provisions of Clause 3(v).

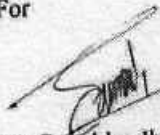
6. According to the information given to us and best of our knowledge the central government has not prescribed the maintenance of cost records under sub section(1) of section 148 of the - Companies Act, 2013 for any product of the company.
7. According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion:
  - a. The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added tax, Cess and material statutory dues as applicable with the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they become payable.
  - b. There are no dues of Income Tax, Sales Tax, Value Added Tax, Service Tax, Duty of Customs, Duty of Excise outstanding on account of any dispute.
8. According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion the Company has not defaulted in repayment of dues to Banks and Financial Institutions. The company does not have any borrowings from Government and debenture holders. .
9. According to the information and explanations given by the management, and according to the books and records as produced and examined by us the company has not raised money's by way of initial public offer or further public offer including and debt instruments and term loans. Accordingly, the provisions of clause 3(ix) Order, does not apply to the company.
10. To the Best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no significant fraud on the Company has been noticed or reported during the year.
11. According to the information and explanations given by the management, and according to the books and records as produced and examined by us, the provisions of section 197 read with schedule V to the Companies Act are not applicable to the Company. Hence reporting under this clause is not necessary.
12. In our Opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the company.



13. In our opinion, all transactions with the related parties are in compliance with the section 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given by the management, and according to the books and records as produced and examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. According to the information and explanations given by the management, and according to the books and records as produced and examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provision of clause 3 (xv) of the Order are not applicable to the Company.
16. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. The Paragraph 3 (xvi) of the Order is not applicable to the Company.

For

  
CA Gopaldas Jhavar  
Chartered Accountant  
M.No.200919



Place : Hyderabad  
Date : 30/11/2021

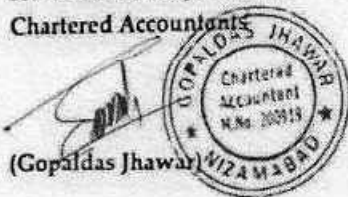


**M/s DESIGN EIGHT PRIVATE LIMITED**  
(Formerly Offmax India Private Limited)  
203, HALLMARK HILL VIEW APARTMENT, PLOT NO. 66 & 68  
JOURNALIST COLONY, HYDERABAD, TELANGANA - 500033

**Balance Sheet as at 31st March, 2021**

Particulars	Note No	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholder's Funds			
(a) Share Capital	2	10,00,000	10,00,000
(b) Reserves and Surplus	3	1,67,74,152	1,20,74,939
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	4	40,05,116	49,67,326
(b) Deferred tax liabilities (Net)		9,28,461	6,71,787
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings	5	3,36,24,549	2,01,37,721
(b) Trade payables	6	2,26,36,108	46,04,941
(c) Other current liabilities	7	29,63,422	32,03,526
(d) Short-term provisions	8	21,37,984	36,97,375
<b>Total</b>		<b>8,40,69,791</b>	<b>5,03,57,615</b>
<b>II. Assets</b>			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	2,12,65,850	1,71,16,910
(ii) Intangible assets	10	22,500	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	11	4,19,65,156	1,65,50,992
(c) Trade receivables	12	1,60,91,136	1,26,17,590
(d) Cash and cash equivalents	13	2,81,542	97,114
(e) Short-term loans and advances	14	3,60,377	2,53,505
(f) Other current assets	15	40,83,231	37,21,504
<b>Total</b>		<b>8,40,69,791</b>	<b>5,03,57,615</b>

Notes to Significant Accounting Policies  
As per the Audit Report of Even date  
for **GOPALDAS JHAWAR**  
Chartered Accountants



M No 200919  
Date: 30/11/2021  
Place : Hyderabad  
UDIN: 22200919AAAAAS6137

1

On Behalf of the Board  
Design Eight Private Limited

*Rajesh*  
Director  
Rajesh  
Kushaldas  
Manghnani



*Sharmila*  
Director  
Sharmila Rajesh  
Manghnani

**M/s DESIGN EIGHT PRIVATE LIMITED**  
(Formerly Offmax India Private Limited)  
203, HALLMARK HILL VIEW APARTMENT, PLOT NO. 66 & 68  
JOURNALIST COLONY, HYDERABAD, TELANGANA - 500033

**Profit and Loss statement for the year ended 31st March, 2021**


Particulars	Note No	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
I. Revenue from Operations	16	13,18,09,047	15,52,25,601
Net Revenue from Operations		13,18,09,047	15,52,25,601
II. Other Income	17	19,27,466	9,09,218
III. Total Revenue (I + II)		<b>13,37,36,513</b>	<b>15,61,34,819</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	18	7,87,94,789	8,17,69,289
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	(71,69,946)	50,57,886
Employee benefit expense	20	2,62,34,843	2,92,96,604
Financial costs	21	26,27,398	18,12,198
Depreciation and amortization expense	9	17,23,875	15,10,117
Other expenses	22	2,49,36,149	2,69,71,999
Total Expenses		<b>12,71,47,110</b>	<b>14,64,18,093</b>
V. Profit before exceptional and extraordinary items and	(III - IV)	65,89,403	97,16,726
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		65,89,403	97,16,726
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		65,89,403	97,16,726
X. Tax expense:			
(1) Current tax		14,02,233	22,55,144
(2) Income Tax relating to earlier years		2,31,284	27,742
(3) Deffered Tax		2,56,674	1,84,056
XI. Profit/(Loss) for the period (IX - X)		<b>46,99,213</b>	<b>72,49,783</b>
XVI. Earning per equity share:			
(1) Basic		46.99	72.50


As per the Audit Report of Even date  
for **GOPALDAS JHAWAR**  
Chartered Accountants

  
  
UDIN: 22200919AAAAAS0137  
(Gopaldas Jhawar)

M No 200919  
Date: 30/11/2021  
Place : Hyderabad

On Behalf of the Board  
Design Eight Private Limited

  
Director  
Rajesh  
Manghnani

  
Director  
Sharmila  
Manghnani

**M/s DESIGN EIGHT PRIVATE LIMITED**  
(Formerly Offmax India Private Limited)  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED March 31st, 2021**  
(All amounts in Indian Rupees)

PARTICULARS	Year Ended 31st March-2021	Year Ended 31st March-2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	65,89,403	97,16,726
Adjusted for		
Depreciation	17,23,875	15,10,117
Finance Costs	26,27,398	18,12,198
Operating profit before adjustment for working capital changes	1,09,40,677	1,30,39,041
Working Capital Changes adjusted for		
Trade & other receivables	(34,73,545)	18,40,505
Inventories	(2,54,14,164)	73,17,572
Other Assets	(1,06,872)	(1,22,155)
Other Current Assets	(3,61,727)	(5,19,921)
Trade payables	1,80,31,167	(1,03,25,897)
Short Term Borrowings	1,34,86,828	1,00,33,825
Other payables	-2,40,104	(63,60,394)
Short Term Provisions	-15,59,391	9,76,126
Cash generated from operations	1,13,02,870	1,58,78,701
Provision for Taxes	16,33,517	22,82,886
Cash flow before extraordinary items	96,69,353	1,35,95,814
Extraordinary items	-	-
Cash flow before extraordinary items	96,69,353	1,35,95,814
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (A)</b>	<b>96,69,353</b>	<b>1,35,95,814</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets (Net)	(58,95,315)	(44,17,147)
CWIP	-	-
<b>NET CASH (USED IN) INVESTING ACTIVITIES (B)</b>	<b>(58,95,315)</b>	<b>(44,17,147)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance charges	(26,27,398)	(18,12,198)
Term loans & Other Borrowings	(9,62,210)	(75,33,454)
<b>NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES (C)</b>	<b>-35,89,609</b>	<b>-93,45,652</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>1,84,429</b>	<b>-1,66,985</b>
Opening balance of cash and cash equivalents	97,114	2,64,099
Closing balance of cash and cash equivalents	2,81,542	97,114

**Notes to Significant Accounting Policies**

As per the Audit Report of Even date  
for **GOPALDAS JHAWAR**  
Chartered Accountants

(Gopaldas Jhawar)  
M No 200919  
Date: 30/11/2021  
Place : Hyderabad



On Behalf of the Board  
Design Eight Private Limited

*(Signature)*  
Director

*(Signature)*  
Director



**M/s DESIGN EIGHT PRIVATE LIMITED**  
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Note No. : 2

Share Capital

Particulars		Year Ended 31st March-2021	Year Ended 31st March-2020
	Authorised Share Capital 1,00,000 shares @ (Rs. 10 Per share)	10,00,000	10,00,000
	Issued, Subscribed and Fully Paid up share 1,00,000 shares @ (Rs. 10 Per share)	10,00,000	10,00,000
(a)	List of the Shareholders holding more than 5% of the total Number of shares issued by the company	No of Shares    %	No of Shares    %
	Rajesh Kushaldas Manghnani	40000        40	40000        40
	Sharmila Rajesh Manghnani	60000        60	60000        60

Note No. : 3

Reserves and Surplus

Particulars		Year Ended 31st March-2021	Year Ended 31st March-2020
(a)	Surplus in the Statement of Profit & Loss A/c		
	Balance at the beginning of the year	1,20,74,939	48,25,156
	Add: Profit for the Year	46,99,213	72,49,783
	Less: Transferred	-	-
	Balance at the end of the year	1,67,74,152	1,20,74,939
	<b>Total</b>	<b>1,67,74,152</b>	<b>1,20,74,939</b>

Note No. : 4

Long Term Borrowing

Particulars		Year Ended 31st March-2021	Year Ended 31st March-2020
(a)	Secured		
	Vehicle Loan		
	From Bank	15,13,138	8,81,183
	Less : Payable within 12 Months (Refer Note A & B for Security and Repayment terms)	7,15,205	4,47,681
	Kotak Bank Discounted Bills	7,97,933	4,33,502
		-	-
		7,97,933	4,33,502
(b)	Unsecured Loan		
	Directors	32,07,182	45,33,824
	<b>Total</b>	<b>40,05,116</b>	<b>49,67,326</b>

Notes:

**Note A**

**Security:** The Vehicle loans are secured against the hypothecation of respective vehicles

*(Handwritten Signatures)*

**M/s DESIGN EIGHT PRIVATE LIMITED**  
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**Note B**

**Repayment:**

Loans taken from HDFC Bank is repayable in monthly instalments of Rs. 42,568 each inclusive of interest till Aug. 2023.

Loans taken from HDFC Bank is repayable in monthly instalments of Rs. 12,751 each inclusive of interest till April, 2021.

Loans taken from HDFC Bank is repayable in monthly instalments of Rs. 26,850 each inclusive of interest till Aug. 2022.

**Note No. : 5**

**Short Term Borrowings**

Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
Secured		
Cash Credit	3,36,24,549	2,01,37,721
<b>Total</b>	<b>3,36,24,549</b>	<b>2,01,37,721</b>

**Note No. : 6**

**Trade Payables**

Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
Trade payables	2,26,36,108	46,04,941
<b>Total</b>	<b>2,26,36,108</b>	<b>46,04,941</b>

**Note No. : 7**

**Other current liabilities**

Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a) Current Maturities of Long Term Debt	7,15,205	4,47,681
(b) Other Payable	22,48,217	27,55,845
<b>Total</b>	<b>29,63,422</b>	<b>32,03,526</b>

**Note No. : 8**

**Short term provisions**

Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a) Provision for Taxation	14,02,233	22,55,144
(b) Statutory Liabilities	2,12,529	11,33,230
(c) Provision for Expenses	5,23,222	3,09,000
<b>Total</b>	<b>21,37,984</b>	<b>36,97,375</b>

**Note No. : 10**

**Intangible Assets**

Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
Trade Mark	22,500	-
<b>Total</b>	<b>22,500</b>	<b>-</b>

*(Handwritten signatures)*

**M/s DESIGN EIGHT PRIVATE LIMITED**  
(Formerly Offmax India Private Limited)

**Note-9:- Tangible Assets**

**Depreciation as per Companies Act for Financial Year 2020-21**

S.NO	Particulars	Gross Block as on 1-4-2020	Addition	Deletions	Total Value	Dep. upto 2020	Dep. Amount	Deduction	Total Depreciation	Net Block 31/03/2021	Net Block 31/03/2020
1	Factory Building	22,37,396	5,59,440	-	27,96,836	1,47,999	77,339	-	2,25,338	25,71,498	20,89,397
2	Computer	3,06,310	-	-	3,06,310	2,51,129	30,364	-	2,81,493	24,817	55,181
3	Vehicle	21,70,436	11,29,218	-	32,99,655	4,67,936	2,44,536	-	7,12,472	25,87,182	17,02,500
4	Furniture and Fixtures	3,700	1,568	-	5,268	1,022	462	-	1,484	3,784	2,678
5	Office Equipment	19,03,945	45,470	-	19,49,415	7,91,296	3,67,507	-	11,58,804	7,90,611	11,12,649
6	Plant and Machinery	1,40,87,356	41,37,119	-	1,82,24,475	19,32,852	10,03,667	-	29,36,518	1,52,87,957	1,21,54,504
		<b>2,07,09,143</b>	<b>58,72,815</b>	<b>-</b>	<b>2,65,81,959</b>	<b>35,92,234</b>	<b>17,23,875</b>	<b>-</b>	<b>53,16,109</b>	<b>2,12,65,850</b>	<b>1,71,16,910</b>

*Atif Sami*  
Director

*Shamsh*  
Director



**M/s DESIGN EIGHT PRIVATE LIMITED**  
**(Formerly Offmax India Private Limited)**  
 203, HALLMARK HILL VIEW APARTMENT, PLOT NO. 66 & 68  
 JOURNALIST COLONY, HYDERABAD, TELANGANA - 500033

**Note No. : 11**

**Inventories (at lower of cost or Net realisable value)**

	Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a)	Finished Goods	2,20,25,975	1,48,56,029
(b)	Raw Material	1,99,39,181	16,94,963
	<b>Total</b>	<b>4,19,65,156</b>	<b>1,65,50,992</b>

**Note No. : 12**

**Trade receivable (Unsecured, considered good)**

	Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a)	Outstanding for a period exceeding six months	-	-
(b)	Others	1,60,91,136	1,26,17,590
	<b>Total</b>	<b>1,60,91,136</b>	<b>1,26,17,590</b>

**Note No. : 13**

**Cash and Cash Equivalents**

	Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a)	Balances with Banks - Schedule Bank	2,36,956	88,596
(b)	Cash on Hand	44,586	8,518
	<b>Total</b>	<b>2,81,542</b>	<b>97,114</b>

**Note No. : 14**

**Short term loans and advances**

	Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a)	Others	-	-
(b)	Advances to Staff	3,60,377	2,53,505
	<b>Total</b>	<b>3,60,377</b>	<b>2,53,505</b>

**Note No. : 15**

**Other Current assets**

	Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a)	Other Current assets	69,481	(4,598)
(b)	Advance Income Tax	12,00,000	10,76,102
(c)	Deposits	28,13,750	26,50,000
(d)	Advance to Suppliers	-	-
	<b>Total</b>	<b>40,83,231</b>	<b>37,21,504</b>


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Note No. : 16

Revenue

Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
Revenue from operations		
Sale of products	13,18,09,047	15,52,25,601
Revenue from operations (Gross)	13,18,09,047	15,52,25,601

Note No. : 17

Other Income

Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a) Freight Charges	14,75,687	4,89,236
(b) Service Charges	3,39,076	25,000
(c) Incentive Received	1,12,703	3,94,983
<b>Total</b>	<b>19,27,466</b>	<b>9,09,218</b>

Note No. : 18

Cost of Material Consumed

Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a) Opening stock	16,94,963	39,54,649
(b) Add: Purchases	9,70,39,007	7,95,09,603
	9,87,33,970	8,34,64,252
(c) Less: Closing stock	1,99,39,181	16,94,962.88
<b>Consumption</b>	<b>7,87,94,789</b>	<b>8,17,69,289</b>

Note No. : 19

Increase/Decrease in Stock

Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a) Opening stock		
Finished Stock	1,48,56,029	1,99,13,915
(b) Less: Closing stock		
Finished Stock	2,20,25,975	1,48,56,029.35
<b>(Increase)/Decrease in Stock</b>	<b>(71,69,946)</b>	<b>50,57,886</b>
(b-a)		




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**Note No. : 20**

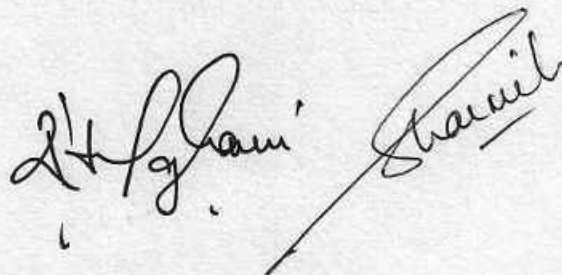
**Employee benefit expenses**

	Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a)	Salaries and Bonus	2,32,43,194	2,19,40,519
(b)	PF & ESI	17,06,434	15,55,759
(c)	Staff welfare expenses	12,85,215	58,00,326
	<b>Total</b>	<b>2,62,34,843</b>	<b>2,92,96,604</b>

**Note No. : 21**

**Financial Costs**

	Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a)	Bank Charges	2,46,676	2,32,472
(b)	Interest	23,76,023	15,78,173
	Interest & Penalty on Delayed payment of Direct &	4,699	1,553
(c)	Indirect Taxes		
	<b>Total</b>	<b>26,27,398</b>	<b>18,12,198</b>





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Note No. : 22

**Other Expenses**

Particulars	Year Ended 31st March-2021	Year Ended 31st March-2020
(a) Administration Charges	41,938	41,483
(b) Audit Fee	75,000	75,000
(c) Tax Audit Fee	30,000	30,000
(d) Chit Loss	-	(2,88,900)
(e) Fluctuation in dollar rate	17,998	2,03,547
(f) Telephone charges	3,370.00	2,180
(g) Consumables	4,04,467	3,46,213
(h) Travelling and Conveyance Expenses	22,89,350	48,44,254
(i) Repairs & Maintenance	5,03,609	9,59,210
(j) Electricity Charges	18,73,886	19,48,831
(k) Factory Maintenance Charges A/c	12,55,038	11,81,085
(l) Factory Property Tax	3,71,920	15,576
(m) Factory Rent	21,11,500	6,61,500
(n) General Expenses	12,32,663	11,13,773
(o) Insurance	1,74,323	1,66,185
(p) Import Shipment & Clearing Charges	20,08,488	27,62,963
(q) Sales Commission	86,754	6,53,024
(r) Postage & Courier	1,03,871	45,081
(s) Printing & Stationery	2,65,994	1,19,066
(t) Business Promotion Exp	1,71,097	7,65,537
(u) Legal & Professional Fee	2,58,315	30,000
(v) Labour Charges	4,47,016	5,61,551
(w) Security Charges	12,60,000	8,90,421
(x) Professional Tax	5,000	2,500
(y) Packing Charges	1,08,305	1,08,598
(z) ROC charges	-	29,700
(aa) Licence Renewals	1,25,585	3,955
(ab) Transportation Charges	16,50,452	17,85,740
(ac) Sundry Balances Written Off	96,029	1,20,889
(ad) Late Filing Fee	3,250	20,640
(ae) Internet Charges	-	13,990
(af) Service Charges	78,79,853	76,02,740
(ag) Electrical spares	39,965	1,26,855
(ah) Medical charges	30,312	8,863
(ai) Software Renewal charges	10,800	19,953
<b>Total</b>	<b>2,49,36,149</b>	<b>2,69,71,999</b>

*S. H. Gami*  
*Shavit*

**M/S DESIGN EIGHT PRIVATE LIMITED**  
**HYDERABAD**  
**NOTES FORMING PART OF ACCOUNTS**

NOTE: 1

1) Significant Accounting Policies

1.1) Basis of Accounting:

The financial statements are prepared and presented on the basis of going concern, under the historical cost convention. These financial statements have been prepared to comply in all material aspect with applicable accounting principles in India, the applicable accounting standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act.

1.2) Use of Estimates:

The preparation of the financial statements is in conformity with GAAP which requires the management to make estimates and assumptions that effect the reported balances of the assets and liabilities and disclosures related to contingent liabilities as at the date of financial statements and reported amount of income and expenses during the period. Management believes that estimates used are reasonable and prudent.

1.3) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation/amortization and impairment losses, if any. Direct cost that are directly attributable to fixed assets are capitalized. Cost comprises the purchase price and any attributable cost of bringing the asset to the working condition for its intended use. If the borrowing cost relating to acquisition of fixed asset is taken, it is included to the extent they are related to the period till such assets are ready to put to use, if reasonable time is taken to construct such asset.

1.4) Depreciation:

Depreciation has been provided on Straight Line Method at the useful life of the asset and in the manner provided in Schedule II of the Companies Act, 2013. Depreciation on addition/deletion during the year is provided on pro-rata basis.


1.5) Inventories:

The Inventories are valued as under (at quantities and values certified by the management)

- Raw Materials -Lower of Cost or Market Value using FIFO method
- Work-in-Progress -Lower of Cost or NRV
- Finished Goods -Lower of Cost or Market Value using FIFO method
- Consumables -Lower of Cost or Market Value using FIFO method
- Packing Materials -Lower of Cost or Market Value using FIFO method

1.6) Investments:

Investments are stated at cost.

1.7) Prior Period Items etc.:

Material items if any, relating to prior period, non-recurring in nature and extraordinary items are shown separately in the Profit and Loss Account.

1.8) Provisions and Contingent Liabilities:

Provision is recognized when the company has a present obligation as a result of past events i.e., it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. A disclosure of the contingent liability is made when there is a possibility or a present obligation that may, but probably will not, require an outflow of resources.

1.9) Employee Benefits:

- (a) Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss of the year in which the related services is rendered.
- (b) No provision has been made for long term employee benefits such as gratuity, etc.

*Shamir* *Shamir*



1.10) Borrowing Cost:

Borrowing cost that is attributable to the acquisition or Construction of fixed asset are capitalized as part of the Cost of such asset till such time as the asset is ready for its intended use. All other borrowings are recognized as an expense in the period in which incurred.

1.11) Taxation:

As per AS-22 "Accounting for Taxes on income" issued by ICAI, the company has adopted: Income tax expense comprise of current tax and deferred tax expenses. Provision for current tax is recognized under the tax payable method based on the estimate tax liability computed after taking credit for allowances and exemptions in accordance with Income Tax Act, 1961. Deferred Tax assets and liabilities are recognized for future tax consequences attributable to timing difference that result between the profits offered for income taxes and profits as per financial statement of the company. Deferred tax assets and liabilities measured using the tax rates and tax laws have been enacted substantively by the balance sheet date.

2. NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH, 31<sup>st</sup> 2021.

2.1) Loans to and from Financial Institutions and other creditors and debtors are subject to confirmation and reconciliation if any.

2.2) Trade Payable include Rs. Nil due to Micro Enterprises and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

The Company has not received any memorandum (as required to be filed by the supplier with the notified authority under the MSMED Act, 2006) claiming their status as Micro or Small or Medium Enterprises.

2.3) Earnings Per Share: As per Accounting Standard 20 issued by ICAI

Particulars	Year Ended	
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Net Profit after tax	46,99,213	72,49,783
Number of Equity Shares	1,00,000	1,00,000
Weighted Average Number of equity	1,00,000	1,00,000

*Shamant*

shares		
Nominal Value Per Share	10/-	10/-
Basic Earning Per Share (Rs.)	46.99	72.50
Diluted Earning Per Share (Rs.)	46.99	72.50

2.4) Payment to Auditors

Particulars	Year Ended	
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Audit Fee	Rs.75,000	Rs.50,000

2.5) Related Party Disclosures:

a. Key managerial personnel:

S.No.	Name
1.	Rajesh Manghnani – Director
2.	Sharmila Manghnani - Director

b. Enterprises over which persons described in (a) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:-

S.No.	Name
1.	Seating World (Prop: Smt.Veena Manghnani)

c. Summary of significant transactions with related parties:

S.No.	Nature of Transaction	31 Mar 2021	31 Mar 2020
a) Rajesh Manghnani - Director			
1.	Unsecured Loans taken	11,31,198	5,30,328
2.	Unsecured Loans repaid	24,57,840	40,86,772
b) Sharmila Manghnani - Director			
1.	Managerial Remuneration	9,90,200	12,00,000
2.	Unsecured Loans taken	1,89,147	39,77,473
3.	Unsecured Loans repaid	46,11,869	41,51,333

*Rajesh Manghnani*  
*Sharmila Manghnani*

c) Muskan Manghnani – Director' Daughter		31 Mar 2021	31 Mar 2020
1.	Managerial Remuneration	5,10,200	6,00,000
d) Dhanish Manghnani – Director' Son		31 Mar 2021	31 Mar 2020
1.	Managerial Remuneration	5,00,200	6,00,000
c) Veena Manghnani – Director' Mother		31 Mar 2021	31 Mar 2020
1.	Purchase of Goods	5,98,921	34,45,124
2.	Sale of Goods	8,77,50,410	7,15,60,852

d. The balances receivable from and payable to related parties are as follows:

S.No.	Nature of Transaction	31 Mar 2021	31 Mar 2020
a) Rajesh Manghnani - Director			
1.	Loan Repayable	32,07,182	22,23,373

3. Additional Information required to be given pursuant to Part II of Schedule III to the Companies Act, 2013 as follows:

- 3.1) Earning in Foreign Exchange: NIL
- 3.2) Contingent Liability: NIL

As per the Audit Report of Even date  
for GOPALDAS JHAWAR

Chartered Accountant  
(Gopaldas Jhawar)  
M No 200919  
Date: 31/11/2021  
Place : Hyderabad



On Behalf of the Board  
Design Eight Private Limited

*[Signature]*  
Director

*[Signature]*  
Director