

INDEPENDENT AUDITOR'S REPORT

To the Members of Redribbon Advisory Services Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Redribbon Advisory Services Private Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of change in Equity and Statement of Cash Flow for the year then ended and notes to Financial Statements and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ('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, 2022; and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We have conducted the audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the 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 on the Financial Statements.

Material Uncertainty related to Going Concern

We draw attention to Note 35 in the Financial Statements, which states that the Company has incurred a net loss before Other Comprehensive Income in the current year and in the previous year. Net worth of the Company is fully eroded and the Company's current assets as on date of the balance sheet are not sufficient to meet its current liabilities. There is material uncertainty related to aforementioned conditions that may cast significant doubt on the Company continuing as a going concern. However, we are informed that operation of the Company is mainly affected due to Covid-19 and the Company has taken various cost cutting measures. Further, we are informed that the promoters / shareholders are committed to give financial support as and when required by the Company and the management also expects improvement in the performance of the Company in the long run. Considering this, in the opinion of management, the Financial Statements are prepared on the going concern basis. Our opinion is not modified in respect of this matter.



Above matter was also reported in the our independent auditor report of the previous financial year ended 31st March 2021 and our opinion was not modified in respect of the said matter in the previous financial year also.

Emphasis of Matters

- 1) As stated in note 40 of the financial statements, the Company has not maintained video recordings of the certain board meetings which are held virtually during the year as per requirement of Section 108 of the Companies Act 2013. We are informed by the management that it is due to technical glitches. However, signed physical board minutes of meeting has been maintained by the Company and we have relied on the same for our audit.
- 2) As stated in note 13.2 of the financial statements, loan taken by the Company from holding company, director and relative of directors are approved by the board of directors, however, shareholders' approval for the same u/s 180 of the Act was not taken by the Company in FY 2021-22 and the same is approved by the shareholders subsequent to year end.

Our opinion is not modified in respect of above matters.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the Financial Statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we will 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.

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance(including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended applicable there to. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the



accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, 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 standards on auditing 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.

Further, as part of an audit in accordance with standards on auditing, the auditor exercises professional judgment and maintains 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 control.
- 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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, 2020 ('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**" statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose of the 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, Statement of Profit and Loss (including Other Comprehensive income), Statement of Changes in Equity and 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 Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended applicable there to.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and



- g) Since Company is private Company, provisions of section 197 of the Act read with Schedule V to the Act in respect of managerial remuneration are not applicable. Therefore, reporting as required by Section 197(16) of the Act is not applicable to the Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have pending litigations that affect its financial position in its Financial Statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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 Company.
 - iv.
 - a. The management has represented that to the best of its knowledge and belief, as disclosed in note 38(v) of financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The management has represented that to the best of its knowledge and belief, as disclosed in note 38(vi) of financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c. Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.



- v. The Company has not declared or paid dividend during the year and hence, our reporting with respect to compliance with section 123 of the Act does not arise.

For RMJ & Associates LLP
Chartered Accountants
Firm Registration No: W100281



Rakesh Upadhyaya
Partner
Membership No.: 046271



UDIN No.: 22046271AQZOTY6155

Place: Mumbai.
Date: 5th September 2022

ANNEXURE –A TO AUDITORS' REPORT

The Annexure referred to in paragraph 1 of the Report on Other Legal and Regulatory Requirements of even date to the members of **Redribbon Advisory Services Private Limited** ('the Company') for the year ended on **March 31, 2022**. We report that:

- (i). (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Rights of use assets.
 - (a) (B) The Company has maintained proper records showing full particulars of Intangible assets.
 - (b) The Property, plant and equipment and rights of use assets have been physically verified by the management at the end of the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable considering the size of the Company and nature of its business
 - (c) As per the information and explanations given to us by the management, the Company has taken office premise on lease, however, lease agreement in respect of the office premise is not formally executed in favor of the Company. Further, the Company does not hold any other immovable property (other than lease agreement in respect of office premises) as disclosed in the financial statements.
 - (d) During the year, the Company has not revalued any of its Property, Plant and Equipment (including Right of use assets) or Intangible assets or both. Accordingly, the provision of clause 3 (i) (d) of the order is not applicable to the Company.
 - (e) According to information and explanation provided to us, the Company is not holding any Benami property under the Benami Transactions (Prohibition Act), 1988 (45 of 1988) and rules made thereunder. Accordingly, the provision of clause 3 (i) (e) of the order are not applicable to the Company.
- (ii)(a) According to information and explanation given to us, the Company does not have any inventories during the year or as at 31st March 2022 and accordingly, the provision of clause 3(ii)(a) is not applicable to the Company.
 - (b) As informed to us, the Company has not been sanctioned working capital limits in excess of Rs five crores in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence provision of clause 3 (ii) (b) of the order is not applicable to the Company.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not made any investments in, provided any guarantee or security or granted any loan or advances in the nature of loans during the year to Companies, firms, Limited Liability



Partnerships or any other parties and accordingly, the provisions of clause 3(iii)(a) to (f) are not applicable to the Company.

- (iv) According to the information and explanations given to us, the Company has not made any investments, given any loan, guarantees, advances, in nature of loan and security during the year. Hence, compliance with section 185 and 186 of the Act is not required.
- (v) In our opinion and according to the explanations given to us, the Company has not accepted any deposits. Therefore, question of reporting compliance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder does not arise. We are informed that no order relating to the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) As informed to us, the Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for the business activity carried out by the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, amounts deducted / accrued in the books of account, the Company is generally regular in respect of undisputed statutory dues including Provident fund, Employees state insurance, Sales tax, Service tax, Duty of customs, Duty of excise, Value added tax, cess and any other statutory dues with the appropriate authorities except there are delays in payment of goods and services tax, tax deducted at sources, Income tax and professional tax. There were no undisputed statutory dues outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable except in respect of Income tax (including tax deducted at sources) of Rs.21.40 lakhs (including interest thereon) pertaining from April 2015 to September 2021.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues as referred in para (a) above which have not been deposited on account of any dispute.
- (viii) According to information and explanation given to us, there were no transaction relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provision of clause 3 (viii) of the order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted on repayment of unsecured loan and payment of interest on loan considering that repayment of loan / payment of interest thereon are payable on demand and the Company has not received any demand for repayment / payment in the current year.

(b) As informed to us, the Company has not been declared willful defaulter by any bank or financial institution or other lender. Accordingly, the provisions of clause 3(ix)(b) of the order is not applicable to the Company.

(c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not obtained the term loans during the year. Accordingly, the provisions of clause 3(ix)(c) of the order is not applicable to the Company.




- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the Company has used funds raised on short term basis aggregating to Rs. 144.45 lakhs for long-term purposes.
- (e) According to information and explanation given to us and on an overall examination of Financial Statements of the Company, the Company does not have any subsidiary, associates or joint ventures and hence, provision of clause (ix)(e) & (f) are not applicable to the Company.
- (x) (a) In our opinion and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, provision of clause 3(x)(b) of the order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) As per information and explanation given to us, no report under section 143(12) of the Act has been filed in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditor) Rules, 2014 with the Central Government in the current year.
- (c) According to information and explanation given to us, the Company has not established whistle blower compliant mechanism as the same is not applicable to the Company and hence, our reporting under clause 3(xi)(c) of the order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company. Hence, clause 3(xii)(a) to (c) of the order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standard (Ind AS). Further, Section 177 of the Act is not applicable to the Company and hence, question of our comment on compliance with the same does not arises.
- (xiv) As informed to us, the Company is not required to have internal audit as per the Act. Accordingly, the provisions of clause 3(xiv) (a) to (b) of the order are not applicable to the Company.
- (xv) According to the information and explanations given to us and the records of the Company examined by us, the company has not entered into any non-cash transactions covered under section 192 of the Companies Act, 2013 with directors or persons connected with him and hence, clause 3(xv) of the order is not applicable to the Company.



- (xvi) (a) In our opinion and according to the information and explanations given to us, the Company is not a non-banking financial company and hence, it is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi)(a) to (c) of the order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, there is no core investment company within the group (as defined the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, the provisions of clause 3(xvi)(d) of the order is not applicable to the Company.
- (xvii) In our opinion and based on the overall examination of the Financial Statements, the Company has incurred cash losses of Rs. 19.42 lakhs in the current year and Rs. 26.94 lakhs in the immediately preceding previous financial year.
- (xviii) There is no resignation of the statutory auditor during the year and hence, reporting under clause 3(xviii) of the order is not applicable.
- (xix) According to information and explanation given to us and on the basis of the financial ratio, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Director and management plans and based on our examination of the evidence supporting the assumption and read with our reporting made in paragraph of "Material Uncertainty related to Going Concern" in audit report, there exists material uncertainty as on the date of the independent auditor's report. However, as stated in paragraph of "Material Uncertainty related to Going Concern" in audit report, promoter / shareholders will infuse the funds in the Company as and when required and considering the same, the Company would be capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the independent auditor's report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) As informed to us, the Company is not required to comply with the Section 135 of Act as it is not fulfilling the criteria mentioned under the said section and hence, reporting under clause (xx)(a) & (b) is not applicable to the Company.

For RMJ & Associates LLP
Chartered Accountants
Firm Registration No: W100281


Rakesh Upadhyaya
Partner
Membership No. 046271



UDIN No.: 22046271AQZOTY6155

Place: Mumbai
Date: 5th September 2022

Annexure B to the Auditor's report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Redribbon Advisory Services Private Limited** ('the Company') as of **31 March 2022** in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures



that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Emphasis of Matters

- 1) As stated in point 1 of Emphasis of Matters paragraph in the audit report, non-maintaining of video recordings of the certain board minutes which are held virtually during the year as per requirement of Section 108 of the Companies Act 2013. We are informed by the management that it is due to technical glitches. However, signed physical board minutes of meeting has been maintained by the Company and we have relied on the same for our audit.
- 2) As stated in point 2 of Emphasis of Matters paragraph in audit report, loan taken by the Company from holding company, director and relative of directors are approved by the board of directors, however, shareholders' approval for the same u/s 180 of the Act was not taken by the Company in FY 2021-22 and the same is approved by the shareholders subsequent to year end.

Our opinion is not modified in respect of above matters.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, 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 ICAI.



Other Matters

The Company has appointed chartered accountant for testing of control / process with respect to internal financial control over financial reporting which has expressed unmodified opinion.

For RMJ & Associates LLP
Chartered Accountants
Firm Registration No: W100281



Rakesh Upadhyaya
Partner
Membership No. 046271



UDIN No: 22046271AQZOTY6155

Place: Mumbai
Date: 5th September 2022

REDRIBBON ADVISORY SERVICES PRIVATE LIMITED

FINANCIAL STATEMENTS

FINANCIAL YEAR 2021 - 2022

REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
CIN - U74140KL2010PTC026154
BALANCE SHEET AS AT MARCH 31, 2022

(Amount (Rs) in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
Non-current assets			
Property, plant and equipment	5	-	2.36
Right of Use assets	5	-	0.94
Intangible assets	5	0.27	0.49
Financial assets:			
Investments	6	99.13	37.21
Deferred tax assets (net)	36	-	-
Other non current assets	7	2.64	-
		102.04	41.00
Current assets			
Financial assets:			
Cash and cash equivalents	8	0.14	6.29
Other financial assets	9	-	7.20
Other current assets	10	-	0.12
		0.14	13.61
Total		102.18	54.60
II. EQUITY AND LIABILITIES			
Equity			
Share capital	11	479.16	479.16
Other equity	12	(521.57)	(561.66)
		(42.41)	(82.50)
Liabilities			
Current Liabilities			
Financial liabilities:			
Borrowings	13	103.98	55.80
Trade payables	14		
Payable to micro enterprises and small enterprises		4.31	9.43
Payable to others		1.57	2.34
Other financial liabilities	15	9.85	11.77
Other current liabilities	16	3.80	41.43
Provisions	17	21.08	16.33
		144.59	137.11
Total		102.18	54.60
Significant Accounting Policies and the accompanying notes form an integral part of these financial statements.			
	1 to 43		

As per our report of even date attached.

For RMJ & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. W100281



Rakesh Upadhyaya
Partner
Membership No.046271



Place : Mumbai
Date :

5 SEP 2022

For and on behalf of the Board of Directors of
Redribbon Advisory Services Private Limited

ARVID
TRAASETH
PEDERSEN

Digitally signed by
ARVID TRAASETH
PEDERSEN
Date: 2022.09.01
22:19:17 +05'30'

Suchit
Punnose

Digitally signed
by Suchit
Punnose
Date: 2022.09.01
21:37:50 +05'30'

Arvid Traaseth Pedersen
Director
DIN: 06561054

Suchit Punnose
Director
DIN: 02184524

Place: London
Date: 01st September, 2022

Place: London
Date: 01st September, 2022

REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
CIN - U74140KL2010PTC026154
Statement of Profit and Loss for the year ended on March 31, 2022

(Amount (Rs) in Lakhs)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I Income			
Revenue from operations	18	-	-
Other income	19	1.18	0.57
Total Income		1.18	0.57
II Expenses			
Employee benefit expense	20	-	6.75
Finance Cost	21	10.02	10.87
Depreciation and amortization expense	5	3.52	2.96
Other expenses	22	7.02	5.23
Total Expenses		20.56	25.82
III (loss) before tax		(19.39)	(25.25)
IV Tax expense:			
-Current tax		-	-
-Deferred tax		-	-
-Short provision of tax pertaining to earlier years		2.45	4.08
V (loss) after tax for the year (III-IV)		(21.83)	(29.34)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Change in Fair Value of the Equity Instruments	12	61.93	(39.29)
Other comprehensive income for the year (net of tax)		61.93	(39.29)
VI Total comprehensive income for the year (net of tax)		40.09	(68.62)
Basic Earnings Per Share, Shares of Rs. 10/- each (Previous year: Rs 10 each)	26	(0.46)	(0.62)
Diluted Earnings Per Share, Shares of Rs. 10/- each (Previous year: Rs 10 each)		(0.46)	(0.62)
The accompanying notes are an integral part of the financial statements.			
1 to 43			

As per our report of even date attached.

For RMJ & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. W100281



Rakesh Upadhyaya
Partner
Membership No.046271



Place : Mumbai
Date : **5 SEP 2022**

For and on behalf of the Board of Directors of
Redribbon Advisory Services Private Limited

**ARVID
TRAASETH
PEDERSEN**

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ARVID TRAASETH
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Date: 2022.09.01
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Arvid Traaseth Pedersen
Director
DIN: 06561054

Place: London
Date:01st September,2022

**Suchit
Punnose**

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Date: 2022.09.01
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Suchit Punnose
Director
DIN: 02184524

Place: London
Date:01st September,2022

REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
CIN - U74140KL2010PTC026154
Statement of Cash Flow for the year ended on March 31, 2022

(Amount (Rs) in Lakhs)

PARTICULARS	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Cash flow from operating activities:		
Net (loss) before tax	(19.39)	(25.25)
<u>Adjustments for:</u>		
Depreciation and Amortisation	3.52	2.96
Liability no required written back	(1.11)	(0.57)
Interest on Income Tax Refund	(0.07)	-
Finance cost	10.02	10.87
Operating profit/(loss) before working capital changes	(7.02)	(11.98)
<u>Adjustments for working capital:</u>		
(Increase)/Decrease in Non current and current assets	4.68	-
Increase/(Decrease) in Non current and current liabilities	(23.51)	10.53
Cash (used in) operations	(25.85)	(1.45)
Less: Direct taxes paid (net of refund)	(0.25)	1.16
Net cash (used in) operations	(26.10)	(0.29)
II. Cash flow from investing activities:		
Net cash generated from/(used in) investing activities	-	-
III. Cash flow from financing activities:		
Interest paid	(13.84)	(10.87)
Proceeds of unsecured loan from Holding Company	46.19	-
Repayment of unsecured loan to Holding Company	(12.40)	-
Net proceeds of unsecured loan from Directors including relatives of Directors	-	11.05
Net cash generated from/(used in) financing activities	19.95	0.18
Net increase / (decrease) in cash and cash equivalents (I + II + III)	(6.16)	(0.11)
Cash and cash equivalents at the beginning of the year	6.29	6.41
Cash and cash equivalents at the end of the year	0.14	6.29
	(6.16)	(0.11)
Components of cash and cash equivalents at the end of the year		
Cash in hand	-	0.06
Cheques / draft in hand	0.01	-
Bank balance	0.12	6.23
Total	0.14	6.29

Notes:

- 1 Cash flow statement has been prepared under the indirect method as set out in IND AS 7: "Statement of Cash Flows" notified by the central government.
- 2 Figures in the brackets indicates Cash Outflow.
- 3 Refer Note 39 for Changes in liabilities arising from financing activities
- 4 Previous years figures have been regrouped / reclassified wherever applicable.

As per our report of even date attached.

For RMJ & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. W100281



Rakesh Upadhyaya
Partner
Membership No.046271

Place : Mumbai
Date :



5 SEP 2022

For and on behalf of the Board of Directors of
Redribbon Advisory Services Private Limited

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Arvid Traaseth Pedersen
Director
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Director
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Place: London
Date:01st September,2022

REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
CIN - U74140KL2010PTC026154

Statement of Change in Equity as on March 31, 2022

(a) Equity Share Capital

Particulars	Number of Shares	(Amount (Rs) in Lakhs)
		Amount
As at 1st April 2020	45,41,600	454.16
Add : Conversion of Pref Shares into Equity shares	2,50,000	25.00
As at 31 March 2021	47,91,600	479.16
Add : Issue of equity shares	-	-
As at 31 March 2022	47,91,600	479.16

(b) Other Equity

Particulars	Reserves & Surplus	Other Reserves		Total Amount
	Retained Earnings	Equity Instrument through Other Comprehensive Income	Equity Component of the Compound Financial Instruments	
As at 1st April 2020	(487.59)	(5.45)	25.00	(468.04)
Add: Loss for the year	(29.34)	-	-	(29.34)
Add : change in fair value of equity Instruments	-	(39.29)	-	(39.29)
Less:- Conversion into Equity Shares	-	-	(25.00)	(25.00)
As at 31st March 2021	(516.93)	(44.73)	-	(561.66)
As at 1st April 2021	(516.93)	(44.73)	-	(561.66)
Add: Loss for the year	(21.83)	-	-	(21.83)
Add : change in fair value of equity Instruments	-	61.93	-	61.93
As at 31st March 2022	(538.76)	17.20	-	(521.57)

As per our report of even date attached.

For RMJ & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. W100281



Rakesh Upadhyaya
Partner
Membership No.046271



Place : Mumbai
Date :

5 SEP 2022

For and on behalf of the Board of Directors of
Redribbon Advisory Services Private Limited

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REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

1. Corporate information

Redribbon Advisory Services Private Limited ('the Company') was incorporated on June 7, 2010 as a private limited company under the Companies Act, 1956 registered with the Registrar of Companies, Kerala. The Company's primary object is to provide business advisory services in management systems, investments, Investment instruments and other collective investment schemes.

The Board of Directors approved the financial statements for the year ended March 31, 2022 on 01st September, 2022.

2. Basis of preparation and presentation of Financial Statements

2.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. Further, these financial statements have been presented as per requirements of Division II of Schedule III to the Act, (Ind AS compliant Schedule III), as amended from time to time.

2.2 Basis of Measurement

These financial statements have been prepared on the historical cost basis except for certain assets and liabilities that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

2.3 Use of significant accounting estimates, judgements & assumptions and key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company evaluates its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Fair Value measurements of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which



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REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

involve various judgements and assumptions. Changes in judgements and assumptions could impact on the reported fair value of financial instruments.

b) Property, plant & equipment, rights of use assets and intangible assets

The Company has estimated the useful life, residual value and method of depreciation / amortisation of property, plant & equipment, rights of use assets and intangible assets based on its internal technical assessment. Further the Company has estimated that scrap value of property, plant & equipment would be able to cover the residual value of property, plant & equipment.

Therefore, the estimates and assumptions made to determine useful life, residual value and method of depreciation / amortisation are critical to the Company's financial position and performance.

c) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

d) Recognition of deferred tax asset

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. Currently, the Company has not recognised the deferred tax on unused tax losses / unused tax credits. Any increase in probability of future taxable profit will result into recognition of unrecognised deferred tax assets.

e) Assessment of COVID- 19impact

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information and economic forecasts. The Company has performed necessary analysis on the assumptions used and based on current estimates expects the carrying amount of its assets does not require any impairment. However, the impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements, if any.



REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

2.4 Measurement of Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – unobservable inputs for the asset or liability. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting year.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

2.5 Functional and presentation of currency

The financial statements are presented in Indian Rupees (INR) which is the functional currency of the Company and all values are rounded to the nearest lacs, except where otherwise indicated.



REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

3. Significant Accounting policies

3.1 Classification of Current and Non-current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Act. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, the Company has ascertained the operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

3.2 Property, plant and equipment('PPE') and Depreciation

- a. Property, plant and equipment are stated at cost of acquisition / construction less accumulated depreciation and accumulated impairment losses, if any. Gross carrying amount of all property, plant and equipment are measured using cost model.
- b. Cost of an item of property, plant and equipment includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.
- c. Parts (major components) of an item of property, plant and equipments having different useful lives are accounted as separate items of property, plant and equipments.
- d. Subsequent expenditure related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- e. Property, plant & equipment are eliminated from financial statements either on disposal or when retired from active use. Assets held for disposal are stated at net realizable value. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant & equipment are recognized in the statement of profit and loss in the year of occurrence.

f. Depreciation

Depreciation on property, plant and equipment is provided on a written down value (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013:

Depreciation methods, useful lives and residual values are reviewed periodically, including at the end of each financial year and adjusted prospectively.

In case of assets purchased or derecognized during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been derecognized.



REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

3.3 Intangible assets and amortization

Intangible assets are stated at cost of development or consideration paid for acquisition less accumulated amortisation and accumulated impairment loss, if any. Intangible assets are recognised only if it is probable that the future economic benefits attributable to the asset will flow to the enterprise and the cost of asset can be measured reliably. Intangible assets comprises of Web designing and is amortised over its useful life which is presently estimated to be 5 years.

The useful lives and methods of amortisation of intangible assets are reviewed at each balance sheet date and in case of any changes, effect of the same is given prospectively.

3.4 Impairment of Non Financial assets

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognised impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognised are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation had no impairment loss been recognised in earlier years.

3.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial Assets:

I. Initial measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing



REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

them. The business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

II. Subsequent measurement:

a. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets at fair value through other comprehensive income.

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company may choose to measure certain investments in equity instruments at FVTOCI through an irrevocable election at initial recognition. The Company makes such an election on the instrument to instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI

c. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

III. Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

IV. Impairment:

A financial asset is regarded as credit impaired or subject to significant increase in credit risk, when one or more events that may have detrimental effect on estimated future cash



REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

flow of the assets have occurred. The Company applies expected credit loss model recognizing impairment loss on financial assets. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

(b) Financial Liabilities:

I. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

II. Subsequent measurement

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

b. Financial liabilities at amortized cost (Loans and Borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.



REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

III. Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(c) Compound financial instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

(d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(e) Re-classification

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The



REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.6 Income Taxes

(a) Current tax:

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.

(b) Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

3.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of Cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the Statement of cash flows, in addition to above items, any bank overdrafts / cash



REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

credits that are integral part of the Company's cash management, are also included as a component of Cash and cash equivalents.

3.8 Provisions, contingent liabilities and contingent assets

(a) Provisions:

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and 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. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(b) Contingency liability:

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(c) Contingent assets:

The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.9 Revenue recognition

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A 5-step approach is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.



REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
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Notes to Financial Statements for the year ended 31st March 2022: -

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included and classified under the head "other income" in the statement of profit and loss.

3.10 Borrowing Costs

Borrowing costs attributable to the acquisition of a qualifying asset are capitalized as part of the cost of the asset till the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing cost includes interest expense incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

3.11 Leases

Company as a lessee

The Company's lease asset classes primarily consist of land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life or the end of the lease term. The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment.

3.12 Earnings per share ('EPS')

Basic earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events of bonus issue and share split.



REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

For the purpose of calculating diluted earnings per share, the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.13 Cash Flow Statement

Cash Flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

4 Standards notified but not yet effective as at reporting date

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

(a) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

(b) Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

(c) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.



REDRIBBON ADVISORY SERVICES PRIVATE LIMITED
(CIN: U74140KL2010PTC026154)

Notes to Financial Statements for the year ended 31st March 2022: -

(d) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

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REDRIBBON ADVISORY SERVICES PRIVATE LIMITED

CIN - U74140KL2010PTC026154

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	(Amount (Rs) in Lakhs)					
	Office Equipments	Computers	Furniture & Fittings	Total Tangible Assets	Right of Use Assets (Leasehold improvement)	Web Designing Fee (Intangible assets)
Gross Block						
As at April 1, 2020	0.74	2.21	4.12	7.06	8.20	8.17
Additions	-	-	-	-	-	-
Deductions / Adjustment	-	-	-	-	-	-
As at March 31, 2021	0.74	2.21	4.12	7.06	8.20	8.17
As at April 1, 2021	0.74	2.21	4.12	7.06	8.20	8.17
Additions	-	-	-	-	-	-
Deductions / Adjustment	(0.74)	(2.21)	(4.12)	(7.06)	(8.20)	-
As at March 31, 2022	-	-	-	-	-	8.17

Depreciation and Amortisation

As at April 1, 2020	0.50	1.99	1.27	3.76	5.64	7.28
Charge for the year	0.10	0.10	0.74	0.94	1.61	0.40
Deduction/ Adjustment	-	-	-	-	-	-
As at March 31, 2021	0.60	2.09	2.01	4.70	7.26	7.68
As at April 1, 2021	0.60	2.09	2.01	4.70	7.26	7.68
Charge for the year	0.13	0.12	2.11	2.36	0.94	0.22
Deduction/ Adjustment	(0.74)	(2.21)	(4.12)	(7.06)	(8.20)	-
As at March 31, 2022	-	-	-	-	-	7.90
As at March 31, 2021	0.13	0.12	2.11	2.36	0.94	0.49
As at March 31, 2022	-	-	-	-	-	0.27



6 Investments (Non Current)

(Amount (Rs) in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Long Term Investment in Equity instruments		-
- Quoted and Fair valued through OCI		
Modulex Construction Technologies Limited (Ultimate Holding Company)		
6,11,929 (Previous Year : 6,11,929) Equity Shares of Rs 10 each (Previous year: Rs 10 each)	37.21	76.49
Add: Fair value adjustment through OCI	61.93	(39.29)
	99.13	37.21
- Unquoted and carried at Fair value through profit and loss		
Eco Hotels India Private Limited (Fellow associate)		
1,04,375 (Previous year: 1,04,375) equity Shares of Eco Hotels India Private Limited of Rs 10 each, 0.10 partly paid up per share (Previous year: Rs 10 each, 0.10 partly paid up per share)	0.10	0.10
Less : Provision for Impairment of investment	(0.10)	(0.10)
	-	-
Total	99.13	37.21
Market value of Quoted Investment	99.13	37.21
Aggregate value of Unquoted Investment	0.10	0.10
Aggregate amount of impairment in value of investments	0.10	0.10

Note:

7 Other Non current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Balances with government authorities	2.64	-
Total	2.64	-



8 Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
-Cash in hand	-	0.06
-Cheque / draft in hand	0.01	-
-Balance with banks		
-In Current Account	0.12	6.23
Total	0.14	6.29

9 Other Financial Assets (Current)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good and carried at amortised cost		
Security deposit	-	7.20
	-	7.20

10 Other current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Advance to vendors	-	0.12
Total	-	0.12



11 Share Capital

Particulars	(Amount (Rs.) in Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Authorized:				
Equity shares of Rs. 10/- each (Previous year: Rs 10 /- each)	52,50,000	525.00	52,50,000	525.00
Preference shares of Rs. 10/- each (Previous year: Rs 10 /- each)	2,50,000	25.00	2,50,000	25.00
	55,00,000	550.00	55,00,000	550.00
Issued, Subscribed and paid-up:				
Equity shares of Rs. 10/- each (Previous year: Rs 10 /- each)	47,91,600	479.16	47,91,600	479.16
Total	47,91,600	479.16	47,91,600	479.16

a) Reconciliation of the number of Equity shares outstanding

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Equity shares of Rs.10/- each (fully paid-up):				
Number of shares at the beginning of the year	47,91,600	479.16	45,41,600	454.16
Add:				
Fresh issue of fully paid up shares	-	-	-	-
Conversion of preference shares into equity shares	-	-	2,50,000	25.00
Number of shares at the end of the year	47,91,600	479.16	47,91,600	479.16

Rights of the shareholders:

b) Terms/ Rights attached to equity shares

The Company has only one class of equity shares of Rs. 10/- each. These shares rank pari passu with each other and in accordance with the Articles of Association of the Company. Each equity shareholder is entitled to the same rights as regards voting, dividend and repayment of capital in proportion to his shareholding and there are no restrictions to the rights of shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets after distribution of all preferential amounts. The distribution assets of the company will be in proportion to the number of equity shares held by the shareholders after preferential allocation.

c) Details of shareholders holding more than 5% shares in Company

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of Holding in the class	No. of Shares	% of Holding in the class
Equity Shares of Rs.10/- each				
Modulex Modular Buildings Private Limited (Holding company) (Refer note 1 and 2 below)	29,07,600	60.68%	41,57,600	86.77%
Red Ribbon Asset Management PLC (Refer note 2 below)	16,30,000	34.02%	3,80,000	7.93%
Suchit Punrose	2,50,000	5.22%	2,50,000	5.22%

Note:

- Ultimate holding company is Modulex Construction Technologies Limited
- During the year, out of total equity shares, 1,250,000 equity shares have been transferred from resident Company to non resident Company at Rs 10 per share as compared to Rs 9.83 per share which is arrived as per valuation report.

d) Other details of share capital for the immediate preceding five years

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Face Value (Rs.)	No. of Shares	Face Value (Rs.)
Aggregate number of shares allotted as fully paid up for consideration other than cash (Refer Below Table)	-	-	-	-
Aggregate number of bonus shares allotted (capitalization of free reserves)	-	-	-	-
Aggregate number of fully paid equity shares allotted under Employees' stock option plan	-	-	-	-
Aggregate number of fully paid equity share bought back	-	-	-	-

f) Details of shares held by Promoters

Name of Promoter	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Modulex Modular Buildings Private Limited (Holding company) *	29,07,600	60.65%	-26.09%	41,57,600	86.77%	-4.77%
Red Ribbon Asset Management PLC	16,30,000	34.02%	26.09%	3,80,000	7.93%	-0.44%
Suchit Punrose (Director)	2,50,000	5.22%	0.00%	2,50,000	5.22%	5.22%

12 Other Equity

Particulars	Reserve and Surplus	Other Reserves		Total (Rs.)
	Retained Earnings (Rs.)	Equity Instrument through Other Comprehensive Income (Rs.)	Equity Component of the Compound Financial Instruments (Rs.)	
As at 1 April 2020	(487.59)	(5.45)	25.00	(468.04)
Add: Loss for the year	(29.34)	-	-	(29.34)
Add: change in fair value of equity Instruments	-	(39.29)	-	(39.29)
Less: Conversion into Equity Shares	-	-	(25.00)	(25.00)
As at 31 March 2021	(516.93)	(44.73)	-	(561.66)
As at 1 April 2021	(516.93)	(44.73)	-	(561.66)
Add: Loss for the year	(21.83)	-	-	(21.83)
Add: change in fair value of equity Instruments	-	61.93	-	61.93
As at 31 March 2022	(538.76)	17.20	-	(521.57)

Nature and purpose of reserves

1 Equity Instruments through Other Comprehensive Income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the Equity Instruments through Other Comprehensive Income within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

2 Equity Component of the Compound Financial Instrument

Represents the equity component of financial instruments which is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component.

3 Retained Earnings

The retained earnings represents balance of accumulated net profit or loss from business operations.



13 Borrowings (Current) (Amount (Rs) in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured Loan from (carried at amortised cost and repayable on demand) (Refer note 11.1 below):		
- Holding Company	48.18	-
- Director	50.80	50.80
- Relative of Director	5.00	5.00
Total	103.98	55.80

Note:

- 13.1 The loan taken from Holding Company with the interest rate @ 9% p.a (Previous year: Nil). The loan taken from director and relative of Director is interest free. Further, the Company has not made any adjustment for fair value of interest free loan from director or relative of director as the same is repayable on demand and the Company expects repayment of the same in next 12 months.
- 13.2 Above loan taken by the Company is approved by the board of directors, however, shareholders approval u/s 180 of the Companies Act 2013 is not taken. The shareholders approval for the same is obtained subsequent to year end.

14 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
- total outstanding dues of micro enterprises and small enterprises	4.31	9.43
- total outstanding dues of creditors other than micro enterprises and small enterprises	1.57	2.34
	5.88	11.77

15 Other Financial Liabilities (Current)

Particulars	As at March 31, 2022	As at March 31, 2021
Salary Payable to Employees	4.76	11.77
Interest accrued but not due on borrowings	5.09	
	9.85	11.77

16 Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Other Current Liabilities (unsecured)		
Statutory dues payable	1.87	25.11
Advance from customer	1.93	16.32
Total	3.80	41.43

17 Provisions (Current)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Tax (net of taxes paid in advance)	21.08	16.33
Total	21.08	16.33



(Amount (Rs) in Lakhs)

18 Revenue from operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Service	-	-
Income from advisory services	-	-
Total	-	-

19 Other income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on income tax refund	0.07	-
Liability no longer required written back	1.11	0.57
Total	1.18	0.57

20 Employee benefit expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages & bonus	-	6.75
Total	-	6.75

21 Finance Cost

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Tax Deducted at Source	2.45	1.77
Interest on Goods and Service Tax	1.92	9.10
Interest on Unsecured Loan	5.66	-
Total	10.02	10.87

22 Other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Auditor's Remuneration:	3.00	3.25
- Audit Fees	1.05	0.81
- Limited review and other Matters	0.29	0.39
- Taxation Matters	0.08	0.08
Postage courier and telephone expenses	2.11	0.55
Legal and professional fees	0.43	0.03
Rates and taxes	0.07	0.11
Bank charges	-	0.01
Office expenses	-	-
Total	7.02	5.23



23 Financial Instruments

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- i) Fair value of cash and short-term deposits, other short term receivables, other current liabilities, short term loans / borrowings approximate their carrying amounts largely due to short term maturities of these instruments.
- ii) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled except in respect of investment amounting to Rs 0.10 Lakhs for which the Company has already made provision for impairment in the financial statements.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Hierarchy used for determining and disclosing the fair value of financial instruments by valuation technique:

The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.



23.1 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's financial instruments along with their carrying amounts and fair value.

(Amount in Lakhs)

As at March 31, 2022	Carrying amount	Carried at amortised cost	Fair Value								
			Routed through OCI				Routed through Profit and loss				
			Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial assets											
Investments	99.13	-	99.13	-	-	99.13	-	-	-	-	-
Cash and cash equivalents	0.14	0.14	-	-	-	-	-	-	-	-	-
Total	99.27	0.14	99.13	-	-	99.13	-	-	-	-	-
Financial liabilities											
Borrowings	103.98	103.98	-	-	-	-	-	-	-	-	-
Trade payable	5.88	5.88	-	-	-	-	-	-	-	-	-
Other Financial liabilities	9.85	9.85	-	-	-	-	-	-	-	-	-
Total	119.70	119.70	-	-	-	-	-	-	-	-	-

As at March 31, 2021	Carrying amount	Carried at amortised cost	Fair Value								
			Routed through OCI				Routed through Profit and loss				
			Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial assets											
Investments	37.21	-	37.21	-	-	37.21	-	-	-	-	-
Cash and cash equivalents	6.29	6.29	-	-	-	-	-	-	-	-	-
Security deposit	7.20	7.20	-	-	-	-	-	-	-	-	-
Total	50.70	13.49	37.21	-	-	37.21	-	-	-	-	-
Financial liabilities											
Borrowings	55.80	55.80	-	-	-	-	-	-	-	-	-
Trade payable	11.77	11.77	-	-	-	-	-	-	-	-	-
Other Financial liabilities	11.77	11.77	-	-	-	-	-	-	-	-	-
Total	79.34	79.34	-	-	-	-	-	-	-	-	-

Above investment is disclosed net of impairment



24 **Financial risk management objectives and policies :**

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments and cash & bank balance.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has adopted a Risk Management Charter and Policy for self-regulatory processes and procedures for ensuring the conduct of the business in a risk conscious manner. The Risk Management Policy of the Company states the Company's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

The Company has exposure to the following risks arising from financial instruments:

- I. Market Risk
- II. Credit Risk
- III. Liquidity Risk

I. Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments.

Market risk comprises three types of risks:

- a. Interest Rate Risk,
- b. Currency Risk,
- c. Other Price Risk.

Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

a. Interest Rate Risk,

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates.

The impact on Company's loss after tax and on other equity due to change in interest rate is given below :

Particulars	Increase / (Decrease) in Loss after tax		Increase / (Decrease) in other equity	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Increase by 1%	0.48	-	0.48	-
Decrease by 1%	(0.48)	-	(0.48)	-

The above amount is excluding the outstanding interest free loan.

b. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities i.e. when revenue or expense is denominated in a foreign currency. The Company is not exposed to foreign currency risk.

c. Other Price Risk :

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. The Company has investment in equity shares of the Listed company which are traded in market , therefore Company is subject to price risk as on March 31, 2022 and as on March 31, 2021.

The impact on Company's total comprehensive income and other equity due to change in market traded price which is classified under level I is given below:

Particulars	Increase / (Decrease) in Total comprehensive income		(Increase) / Decrease in other equity (negative)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Increase by 10%	9.91	3.72	9.91	3.72
Decrease by 10%	(9.91)	(3.72)	(9.91)	(3.72)

The above amount is excluding the investments value against which the Company has made impairment provision.



II. Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as investment, cash and cash equivalent and other financial assets. The Company's exposure to credit risk is disclosed in note 6, 8 and 9.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

Other financial assets and cash deposits

Credit risk arising from other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

For other financial assets e.g. Investment and other current assets company periodically assesses financial reliability counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

III. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The table below analyse financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars				(Amount in Lakhs)	
	Less than 1 Year	Between 1 to 5 Years	Over 5 Years	Total	Carrying Value
As at March 31, 2022					
Borrowings	103.98	-	-	103.98	103.98
Trade payables	5.88	-	-	5.88	5.88
Other Financial liabilities	9.85	-	-	9.85	9.85
Total	119.70	-	-	119.70	119.70
As at March 31, 2021					
Borrowings	55.80	-	-	55.80	55.80
Trade payables	11.77	-	-	11.77	11.77
Other Financial liabilities	11.77	-	-	11.77	11.77
Total	79.34	-	-	79.34	79.34



25 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at March 31, 2022, the Company has one class of equity shares in the nature of equity. Further Company had raised fund through short term loan from related parties. Consequent to such capital structure, there are no externally imposed capital requirements.

The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	(Amount in Lakhs)	
	As at 31st March 2022	As at 31st March 2021
Total Debt (including interest on debt)	103.98	55.80
Total Capital (total equity shareholder's fund - deferred tax assets)	(42.41)	(82.50)
Total Capital and Debt	61.57	(26.70)
Gearing Ratio	168.88%	-208.97%



26 Earning per share

The Basic and Diluted EPS is calculated as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Net loss attributable to equity shareholders (Rs.)	(21.83)	(29.34)
Number of Equity Shares at the end of the period	47,91,600	47,91,600
Weighted Average Number of Equity Shares for Basic EPS	47,91,600	47,12,833
Weighted Average Number of Equity Shares for Diluted EPS	47,91,600	47,12,833
Face Value per Share (INR)	10	10
Earning Per Share		
Basic	(0.46)	(0.62)
Diluted	(0.46)	(0.62)

27 Revenue from contract with customers

Particulars	As at March 31, 2022	As at March 31, 2021
A Revenue Streams		
- Income from advisory service	-	-
Total	-	-
B Asset and liabilities with Contract with Customer		
- Advance from customer (Refer note 32(b) below)	1.93	16.32
Total	1.93	16.32

28 Contingent liabilities And Other commitments

(a) Contingent Liabilities as on March 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
Contingent liability is as under:		
- In respect of Input Tax Credit Availed In Books of Accounts but not reflecting in returns	-	27.89
Total	-	27.89

(b) Capital and other commitments

Particulars	As at March 31, 2022	As at March 31, 2021
Investments in Partly Paid Equity Shares of Eco Hotels India Private Limited *	10.33	10.33
Total	10.33	10.33

* Investments in partly paid up shares of Rs. 10,438 made by the Company in Eco Hotels India Private Limited has been impaired in Financial year 2018-19.

29 Micro Small And Medium Enterprises ("MSME") Disclosure

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act) Principal amount due to micro and small enterprise Interest due.	1.03	6.42
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Note:

29.1 Amount unbilled as per Note 30 has not been considered in the above table as the invoice for the same is yet to be received by the Company.

30 Trade Payables ageing schedule :-

As at 31st March 2022

Particulars	Outstanding for following periods from Transaction date					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3.29	1.03	-	-	-	4.31
(ii) Others	0.05	0.29	0.13	1.10	-	1.57
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

As at 31st March 2021

Particulars	Outstanding for following periods from Transaction date					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3.01	6.42	-	-	-	9.43
(ii) Others	0.49	0.19	1.27	0.40	-	2.34
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

30.1 In the absence of relevant reports from the system, the above ageing is given as per the posting date of transaction in the books of accounts and accordingly disclosure of bills not due has also not been given in above disclosure given under the Micro, Small and Medium Enterprises Development Act, 2006.

30.2 Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to dues to Micro, Small and Medium enterprises. Based on the information available with the Company, there are no parties who have been identified as micro, small and medium enterprises as at reporting date other than mentioned above based on the confirmations circulated and responses received as at reporting date by the management. Any updated information received by the management post reporting date regarding change in the status to micro, small and medium enterprises would be given effect of status change in the next financial year.



31 Employee benefits**Provident fund**

Provisions of the Employees Provident Fund and Miscellaneous Provisions Act 1952 are not applicable as the number of employees are less than twenty.

Gratuity

The Payment of Gratuity Act, 1972 is not applicable to the Company as the numbers of employees are less than ten and hence, the Company has not made provision towards defined benefit plan in the form of gratuity.

Leave Benefits

There are no outstanding leave benefits for which provision is required to be made in the books of account.

32 Related party disclosure**(A) Names of related parties under common control**

- (i) Modulex Modular Buildings Private Limited, Holding Company
- (ii) Modulex Construction Technologies Limited, Ultimate Holding Company

(B) Other Enterprise where control exists / Where Directors or KMP's is interested

- (i) Eco Hotels India Private Limited
- (ii) Redribbon Asset Management PLC
- (iii) Credent Asset Management Services Private Limited
- (iv) Credent Asset Advisors Private Limited
- (v) Crowdsorce Global Private Limited
- (vi) Give Vinduet Windows and Doors Private Limited
- (vii) Substantia Real Estate India Private Limited
- (viii) Armaec Energy Private Limited
- (ix) Ribbon Services Private Limited (w.e.f 18th February 2021)
- (x) Credent Property Advisory LLP (till 26th March 2022)
- (xi) AZH Consultants LLP (till 26th March 2022)
- (xii) Credent Investment Private Limited (till 26th March 2022)
- (xiii) Credent Property Advisory Private Limited (till 26th March 2022)
- (xiv) Oracle Credit Limited (till 26th March 2022)

(C) Names of Key managerial person by whom control is exercised

- (i) Aditya Vikram Kanoria (till 26th March 2022)
- (ii) Suchit Punnose
- (iii) Arvid Traaseth Pedersen

(D) Relative of Key Managerial person

- (i) Punnose Punnose (relative of Director)

(E) Transactions with related parties

Transaction with Related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expenses		
Modulex Modular Buildings Private Limited	5.66	-
Loan Received		
Modulex Modular Buildings Private Limited (Refer note 30(b) below)	60.58	-
Advance Received		
Modulex Modular Buildings Private Limited	-	3.39
Repayment of loan		
Modulex Modular Buildings Private Limited	12.40	-
Refund of Rent Deposit from		
Credent Asset Management Services Private Limited	7.20	-
Loan taken		
Suchit Punnose	-	11.05



(F) Balances with related parties

Particulars	Balance as on	
	As at March 31, 2022	As at March 31, 2021
Loan (including interest on loan if any) Payable to		
Modulex Modular Buildings Private Limited (Refer note 32(b) below)	53.27	-
Punnose Punnose	5.00	5.00
Suchit Punnose	50.80	50.80
Payable for Reimbursement of expenses		
Aditya Vikram Kanoria	2.13	2.13
Advance received from customer		
Modulex Modular Buildings Private Limited (Refer note 32(b) below)	-	14.39
Give Vinduet Windows and Doors Private Limited	1.93	1.93
Trade payable for expenses		
Credent Asset Management Services Private Limited	0.47	0.47
Credent Asset Advisors Pvt Ltd	-	0.04
Rent Deposit		
Credent Asset Management Services Private Limited	-	7.20
Capital and other Commitments		
Eco Hotels India Private Limited	10.33	10.33
Investment		
Eco Hotels India Private Limited (net of impairment)	-	-
Modulex Construction Technologies Limited (after taking effect of fair value adjustments)	99.13	37.21

Note:

- The information disclosed is based on the names of the parties as identified by the management and same has been relied by the auditor.
 - In a current year, outstanding balance for advance received from Holding Company amounting to Rs 14.39 lacs pertaining to previous year has been transfer / converted to unsecured loan.
- 33 Amount receivable and payable are subject to confirmation by the concerned parties and subsequent reconciliation/adjustments if any.
- 34 Foreign Currency Transactions
The company does not have any foreign currency exposure as on March 31, 2022 (PY: NIL).
- 35 Going concern
The Company has incurred a net loss before Other Comprehensive Income in the current year and in the previous year. Net worth of the Company is fully eroded and the Company's current assets are not sufficient to meet its current liabilities. There is material uncertainty related to aforementioned conditions that may cast significant doubt on the Company continuing as a going concern. Covid-19 has adversely affected the operation of the Company. In the current year, the Company has taken various cost cutting measures for reduction in losses. The management is expecting the improvement in performance of the Company in the long run. Further, the management is also expecting to unlock the value of long term investments in the long term. Considering these and considering that the promoters are committed to give financial support as and when required by the Company, in the opinion of management, the financial statements are prepared on the going concern basis.
- 36 Deferred Tax Assets / Liabilities:
Due to absence of virtual/ reasonable certainty about the future taxable income, the Company has not recognized, any deferred tax assets on the any carried forward business losses, unabsorbed depreciation and other items. Details of the temporary differences and deferred tax assets as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Temporary Differences		
- On Account of Difference in the WDV of PPE	1.75	7.91
- On Account of Brought Forward Business Losses	424.91	424.21
- On Account of Unabsorbed Depreciation	11.66	9.91
Effective Rate of Tax	26.00%	26.00%
Deferred Tax Assets (net)	113.96	114.93

37 Disclosure of Ratios:

Particulars	Numerator	Denominator	Year Ended March 31, 2022	Year Ended March 31, 2021	Variance%	Reasons for changes above 25%
Current Ratio (times)	Current Assets	Current Liabilities	0.02	0.10	-80.67%	The variance is mainly because of increase in short term borrowings.
Debt-Equity Ratio (times)	Long Term Borrowings + Short Term Borrowings (Excluding interest accrued but not due)	Share Capital & Reserves Surplus	(2.45)	(0.68)	262.51%	The variance is mainly because of increase in short term borrowings.
Debt Service Coverage Ratio (times)	EBITDA	Interest + Short Term Borrowings	(0.05)	(0.20)	-73.81%	The variance is mainly because of increase in short term borrowings.
Return on Equity Ratio (%)	Net Profit After Tax	Average Shareholder's Funds	(34.96%)	(60.87%)	-42.57%	The variance is mainly because of reduction in losses.
Trade payables Turnover Ratio (times)	Total Purchases + Other Expenses	Average Trade Payables	2.33	2.69	13.43%	
Return on Capital Employed (%)	EBIT	Capital Employed	(15.21%)	53.85%	128.25%	The variance is mainly because of increase in short term borrowings and reduction in losses.

Since the Company does not have any revenue from operations and inventories, the relevant ratios pertaining to it is not applicable and disclosed.



38 Other Notes pertaining to Schedule III:

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(ii) The Company do not have any transactions with Companies struck off.
(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
(viii) The Company does not have any downstream layers of companies and hence Section 2 (87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
(ix) Reporting/disclosures is not made/applicable to the company with respect to submission of statement of current assets to the bank as credit facility is not sanctioned against current assets of the Company.

39 Changes in liabilities arising from financing activities

31st March 2022

Particulars	From 1st April 2021	Reclassified Other current liabilities to current borrowings (Refer Note 32)	Cash Flows (net)	As at 31st March 2022
Current borrowings	55.80	14.39	33.79	103.98

31st March 2021

Particulars	From 1st April 2020	Reclassified Other current liabilities to current borrowings	Cash Flows (net)	As at 31st March 2021
Current borrowings	44.75	-	11.05	55.80

Interest expense on borrowings was Rs 5.66 Lakhs and Rs Nil for the year ended 31st March 2022 and 31st March 2021 respectively

- 40 The Company has not maintained the video recordings of the certain board meetings which are held virtually during the year as per requirement of Section 108 of the Companies Act 2013 due to technical glitches. However, signed physical board minutes of meeting has been maintained by the Company.
41 The business activity of the Company falls within a single primary business segment viz., providing business advisory services in management systems, investments, investment instruments and other collective instrument schemes. Hence, there is no other reportable segment.
42 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets and other receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information and economic forecasts. The Company has performed necessary analysis on the assumptions used and based on current estimates expects the carrying amount of it's assets does not require any impairment. However, the impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements, if any.
43 Comparatives
The figures of the previous year have been regrouped and re-arranged wherever necessary to conform to current presentation. The figures for the current year and previous year have been presented in Rs in Lakhs.

As per our report of even date attached.

For RMJ & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. W100281

Rakesh Upadhyaya
Partner
Membership No.046271

Place : Mumbai
Date :

5 SEP 2022



For and on behalf of the Board of Directors of
Redribbon Advisory Services Private Limited

ARVID
TRAASETH
PEDERSEN

Digitally signed by
ARVID TRAASETH
PEDERSEN
Date: 2022.09.01
22:21:28 +05'30'

Arvid Traaseth Pedersen
Director
DIN: 06561054

Place: London
Date:01st September,2022

Suchit
Punnose

Digitally signed
by Suchit
Punnose
Date: 2022.09.01
21:39:22 +05'30'

Suchit Punnose
Director
DIN: 02184524

Place: London
Date:01st September,2022