



# ***IBN & ASSOCIATES***

Chartered Accountants

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**NOVO CABS PRIVATE LIMITED**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **NOVO CABS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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 31<sup>st</sup> March, 2023, its profit and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Other Information**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibility of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014. 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 the 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.

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

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

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

these financial statements.

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

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

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

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

## 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" 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 purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 ;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. In respect of foreign entities:
    - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person(s) or entity(ies), 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, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), 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; and
- c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- iv. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- v. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund

**For I B N & Associates**  
**Chartered Accountants**  
**Firm Regd. No. 028127N**

sd/-

**CA Ishfaq Bin Nazir**

Proprietor

Membership No. 2534594

**UDIN:**

Place : Srinagar

Date : 30/09/2023

**ANNEXURE "A" REFERRED TO IN PARAGRAPH [1] OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT to the Members of M/S NOVO CABS PRIVATE LIMITED OF EVEN DATE**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report)

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 Companies Act, 2013, we report that:

(i) In respect of its fixed assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) According to the information and explanations given to us, the Company does NOT have any inventory.

(iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) According to the information and explanations given to us, the Company has not given any loan to Directors or persons connected with them as per the provisions mentioned in section 185 of the Act.

- (v) According to the information and explanations given to us, the Company has not made investments, guarantees in other bodies corporate as per the provisions of section 186 of the Companies Act, 2013. Hence provision of Section 186 of the companies Act, 2013 is not applicable.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of Section 73 to 76 of the Act and the rules framed there-under. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vii) According to the information and explanations given 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 any of the activities of the Company and accordingly paragraph 3 (vi) of the order is not applicable.
- (viii) In respect of statutory dues:
  - (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, excise duty and other material statutory dues have been deposited regularly during the year with the appropriate authorities.
  - (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
- (ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (x) In respect of default in repayment of loans or other borrowings:
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
  - (c) According to the information and explanations given to us by the management, the loans were applied for the purpose for which the loans were obtained.
  - (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
  - (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiary

as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (xi) In respect of money raised by IPO, FPO & preferential allotment/private placement of shares or convertible debentures:
  - (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xii) In respect of Fraud:
  - (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
  - (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - (c) According to the information and explanations given to us, the Company has not received any whistle-blower complaint during the year, therefore this clause is not applicable.
- (xiii) According to the information and explanations given to us, the Company is not a Nidhi Company and therefore, the provisions of Clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements under note No. 21 as required by the applicable accounting standards.
- (xv) As per provision of section 138 of the Companies Act, 2013, the company is not required to appoint any internal auditor. Accordingly, clause 3(xiv) of the order is not applicable.
- (xvi) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
- (xvii) According to the information and explanations given to us, Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



- (xviii) The Company has not incurred any cash losses in the current year of and neither during the immediately preceding financial year.
- (xix) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xx) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not 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 audit 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.
- (xxi) In our opinion and according to the information and explanations given to us, the Company does not require to maintain Corporate Social Responsibility Policy under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx) (a) and 3(xx) (b) of the Order are not applicable.
- (xxii) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Accordingly, clauses 3(xxi) of the Order are not applicable.

**For I B N & Associates**  
**Chartered Accountants**  
**Firm Regd. No. 028127N**

sd/-

**CA Ishfaq Bin Nazir**

Proprietor

Membership No. 534594

**UDIN:**

Place : Srinagar

Date : 30/09/2023



# **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NOVO CABS PRIVATE LIMITED**

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **NOVO CABS PRIVATE LIMITED** of even date)

## **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 with reference to financial statements of **NOVO CABS PRIVATE LIMITED** ("the Company") as of March 31, 2023 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 with reference to these financial statements.

## **Meaning of Internal Financial Controls with Reference to these Financial Statements**

A Company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

**For I B N & Associates**  
**Chartered Accountants**  
**Firm Regd. No. 028127N**

sd/-

**CA Ishfaq Bin Nazir**  
Proprietor

**CA Ishfaq Bin Nazir**  
Proprietor  
Membership No. 534594

**UDIN:**

Place : Srinagar

Date : 30/09/2023

## **Note No. : 1 SIGNIFICANT ACCOUNTING POLICIES**

### **1.1 Basis of preparation of financial statements**

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India (Indian GAAP). The said Financial Statements comply with the relevant provisions of the Companies Act, 2013 (the Act) and the mandatory Accounting Standards as specified under the Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India. The Company follows the mercantile system of accounting for recognizing income and expenditure on accrual basis. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### **1.2 Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses like provision for employee benefits, provision for doubtful debts and advances, allowance for slow/non-moving inventories, useful lives of fixed assets etc. during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

### **1.3 Classification of Assets and Liabilities**

The assets and liabilities have been classified as either Current or Non-current.

- I. An asset shall be classified as current when it satisfies any of the following criteria:
  - a) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
  - b) It is held primarily for the purpose of being traded;
  - c) It is expected to be realized within twelve months after the reporting date; or
  - d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- II. All assets other than current assets shall be classified as non-current.
- III. A liability shall be classified as current when it satisfies any of the following criteria:
  - a) It is expected to be settled in the company's normal operating cycle;
  - b) It is held primarily for the purpose of being traded;
  - c) It is due to be settled within twelve months after the reporting date; or

- d) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- IV. All liabilities other than current liabilities shall be classified as non-current.

## **1.4 Operating Cycle**

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

## **1.5 Revenue Recognition**

- I. Revenue is recognised when the significant risk and rewards of ownership of the goods have been passed to the buyers. Sale of goods is exclusive of excise and Goods and Services Tax.
- II. Export incentive in the nature of duty draw back or Duty Entitlement Pass Book under Duty Exemption Scheme is accounted for in the year of Export.
- III. Dividend income is recognized when the right to receive payment is established.
- IV. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- V. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

## **1.6 Fixed Assets**

- I. Property , Plant and Equipment
  - a) Fixed Assets are stated at historical cost less accumulated depreciation. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
  - b) Assets retired from active use and held for disposal are shown separately under Fixed Assets at lower of net book value and estimated realisable value.
  - c) Land is stated at revalued amount i.e. fair value on the date of revaluation less accumulated amortization subsequent to the date of revaluation.
  - d) Spares meeting the criteria of property, Plant and Equipment i.e. Spares expected to be used for a period of more than twelve months are capitalised.
- II. Intangible Assets

An intangible asset is recognised where it is probable that the future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Such assets are stated at cost less accumulated amortization.
- III. Expenditure Incurred During Construction Period

In respect of new/ major expansion of units, the indirect expenditure incurred during construction period upto the date of the commencement of commercial production, which is attributable to

the construction of the project, is capitalised on proportionate basis.

#### IV. Capital WIP

All expenditures, capital and revenue, directly attributable to the construction shall become part of Capital WIP until the completion of plant and starting of commercial production in accordance with Accounting Standard- 10 "Property, Plant and Equipment" and Accounting Standard -5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies". After the completion of Capital Structures, the expenditures in Capital WIP shall be attributed to their respective heads and depreciation/ amortization shall be made in accordance with Accounting Standard-10 "Property, Plant and Equipment".

### 1.7 Depreciation/ Amortization

#### I. Property Plant and Equipment

- a) Depreciation on fixed assets is charged on the written-down value method on a pro-rata basis at the rate and manner prescribed under Schedule II to the Companies Act, 2013.
- b) In respect of additions and deletions during the year, depreciation charge is provided on pro- rata basis, so as to write off the cost of the assets over the useful life.
- c) Premium paid for acquisition of Leasehold land is amortised over the period of lease.
- d) Assets are Depreciated to the extent of 95% of the original cost except temporary structures which are depreciated to the extent of 100% over the useful life and assets individually costing up to Rs 5000/- which are fully depreciated in the year of acquisition.
- e) Capitalised Spares are fully depreciated over their respective useful life.
- f) Value of leasehold land, other than those acquired under perpetual lease basis, is amortised over the period of lease.
- g) Leasehold Buildings are fully depreciated over the period of lease and the useful life as per Schedule- II of Companies Act, 2013, whichever is lower.
- h) The Components of the Main asset that are significant in value and have different useful lives as compared to main asset are depreciated over their respective useful life.

#### II. Intangible Assets

Intangible assets are amortised over the expected period of future benefits.

### 1.8 Taxes on Income

Tax expense for the period, comprising current tax and deferred tax is included in determining the Net Profit/(Loss) for the year.

Provision for current income tax is made in accordance with the provisions of Income Tax Act, 1961.

Provision for deferred tax is made for timing differences arising between the taxable incomes and accounting income, computed using the tax rates and the laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets in respect of

unabsorbed depreciation and carry forward of losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses. Other deferred tax assets are recognized if there is reasonable certainty that there will be sufficient future taxable income available to realize such assets.

## **1.9 Impairment of Assets**

At each Balance Sheet date, the carrying values of the tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where there is an indication that there is a likely impairment loss for a group of assets, the company estimates the recoverable amount of the group of assets as a whole to determine the value of impairment.

## **1.10 Investments**

- I. Long Term Investments are carried at cost. Provision for diminution in the value of such investments is made to recognise a decline, other than temporary, in the value of the investments.
- II. Current Investments are valued at lower of cost and fair value determined on an individual investment basis.

## **1.11 Provisions, Contingent Liabilities and Contingent Assets**

- I. Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if:
  - a) the Company has a present obligation as a result of a past event;
  - b) a probable outflow of resources embodying economic benefits is expected to settle the obligation; and
  - c) The amount of the obligation can be reliably estimated.
- II. Contingent liability is disclosed in case of :
  - a) A present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.
  - b) A possible obligation, unless the probability of outflow in settlement is remote.
  - c) Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.
- III. Contingent assets are neither recognised nor disclosed in the financial statements.

## **1.12 Inventories**

Inventories are valued at lower of cost or net realizable value.

- I. The cost in respect of various items of inventory is computed as under:

- a) Raw Materials, Packing Materials, Construction Materials, Loose Tools in Stock, Chemicals in Stock and Stores & Spares at monthly weighted average cost.
- b) Stock-in-Process at direct cost and an appropriate portion of overheads.
- c) Finished goods are valued at cost or net realisable value whichever is lower.

### **1.13 Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of change in value.

### **1.14 Earning-Per-Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of the equity shares outstanding during the period.

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

### **1.15 Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

sd/-

**CA Ishfaq Bin Nazir**  
Proprietor





**M/S NOVO CABS PRIVATE LIMITED**  
**HOTEL ROYAL SAMAD, M.A LINK ROAD, MUNAWARABAD, SRINAGAR-J&K**  
**CIN: U60300JK2021PTC012936**

Particulars	Note	2023	2022
<b>EQUITY &amp; LIABILITIES</b>			
<b>SHAREHOLDER'S FUNDS</b>			
Share Capital	2	100,000.00	100,000.00
Reserves & Surplus	3	(109,631.00)	(113,701.00)
		<b>(9,631.00)</b>	<b>(13,701.00)</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax Liabilities (net)	8	-	-
Other long-term liabilities	4	-	-
		<b>-</b>	<b>-</b>
<b>CURRENT LIABILITIES</b>			
Trade Payables	5	-	94,000.00
Other Current Liabilities	6	34,243.00	18,001.00
Short -term provisions	6A	-	-
		<b>34,243.00</b>	<b>112,001.00</b>
		<b>24,612.00</b>	<b>98,300.00</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets			
Tangible assets	7	-	-
Intangible assets		-	-
Capital work-in-progress		-	-
		<b>-</b>	<b>-</b>
Non-current investments			
Deferred tax assets(net)	8	-	-
Long-term loans and advances		-	-
Other non-current assets		-	-
		<b>-</b>	<b>-</b>
<b>CURRENT ASSETS</b>			
Current Investments		-	-
Inventories		-	-
Trade Receivables	9	-	-
Cash and Cash Equivalents	10	18,612.00	90,300.00
Short-Term Loans and Advances	11	-	-
		<b>18,612.00</b>	<b>90,300.00</b>
<b>Miscellaneous expenditure</b>			
Pre-operative Expenses	12	6,000.00	8,000.00
"To the Extent Not Yet Written-Off"		<b>6,000.00</b>	<b>8,000.00</b>
		<b>24,612.00</b>	<b>98,300.00</b>
Significant Accounting Policies and Notes to Accounts	1	-	-

As per our report attached

For I B N & Associates

Chartered Accountants

sd/-



CA Ishfaq Bin Nazir

Proprietor

Membership No. 534594

Sd/-

Abdul Majid

Zagrar

Director

Place: Srinagar

Date: 30/09/2023

**M/S NOVO CABS PRIVATE LIMITED**  
**HOTEL ROYAL SAMAD, M.A LINK ROAD, MUNAWARABAD, SRINAGAR-J&K**  
**CIN: U60300JK2021PTCo12936**

			in Rs
Statement of Profit & Loss for the year ended March31,	Note	2023	2022
Direct Income (Sales)	13	238,782.00	-
Other income	14	-	-
<b>Total Revenue</b>		<b>238,782.00</b>	<b>-</b>
<b>Expenses</b>			
Cost of Services Rendered	15	36,000.00	75,000.00
Employee benefit expenses	16	132,000.00	18,000.00
Rent Paid		14,000.00	-
Depreciation and ammortisation expense	7	-	-
Other expenses	17	50,712.00	18,701.00
Pre- Operative Expenses Written Off	12	2,000.00	2,000.00
<b>Total Expenses</b>		<b>234,712.00</b>	<b>113,701.00</b>
<b>PROFIT BEFORE TAX AND EXCEPTIONAL ITEM</b>		<b>4,070.00</b>	<b>(113,701.00)</b>
Tax expense			
Current tax		-	-
Deferred tax	8	-	-
<b>PROFIT AFTER TAX BUT BEFORE EXCEPTIONAL ITEM</b>		<b>4,070.00</b>	<b>(113,701.00)</b>
Dividend income, net of taxes			-
<b>PROFIT AFTER TAX AND EXCEPTIONAL ITEM</b>		<b>4,070.00</b>	<b>(113,701.00)</b>
<b>EARNINGS PER EQUITY SHARE</b>			
Equity shares of par value Rs. 10/-each			
<i>Before Exceptional item</i>			
Basic		0.41	(11.37)
Diluted		0.41	(11.37)
<i>After Exceptional item</i>			
Basic		0.41	(11.37)
Diluted		0.41	(11.37)
<i>Number of shares used in computing earnings per share</i>			
Basic		10,000	10,000
Diluted		10,000	10,000

As per our report attached

For I B N & Associates

Chartered Accountants

sd/-  
CA Ishfaq Bin Nazir  
Proprietor  
Membership No. 534594



Sd/-  
Abdul Majid Zagrar  
Director

Place: Srinagar  
Date: 30/09/2023

## 2 SHARE CAPITAL

Particulars	in Rs.	
	AS AT March 31,	
	2023	2022
Authorised		
Equity Shares, Rs. 10/- par value	100,000.00	100,000.00
10,000 Equity shares		.
Issued ,subscribed & paid up capital	100,000.00	100,000.00
Equity shares Rs.10/- par value		
10,000 equity shares fully paid up		
	<b>100,000.00</b>	<b>100,000.00</b>

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2023 is set out below:

PARTICULARS	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	10,000	100,000	-	-
Add: Shares issued during the year			10,000	100,000
Number of shares at the end	<b>10,000</b>	<b>100,000</b>	<b>10,000</b>	<b>100,000</b>

### 3      *Reseves and surplus:*

Particulars	in Rs.	
	As at March 31,	
	2023	2022
Capital Reserve-Opening Balance	-	-
Add: Transferred from Surplus	-	-
	-	-
Surplus- Opening Balance	(113,701.00)	-
<b>Add:</b> Net profit after tax transferred from Statement of Profit an	4,070.00	(113,701.00)
Amount available for appropriation	(109,631.00)	(113,701.00)
<i>Appropriations:</i>		
Interim dividend	-	-
Final dividend	-	-
Amount transferred to general reserve	-	-
Surplus- Closing Balance	(109,631.00)	(113,701.00)
	<b>(109,631.00)</b>	<b>(113,701.00)</b>

**4. Other Long Term Liabilities:**

Particulars	in Rs.	
	2023	2022
Secured Loans	-	
Unsecured Loans	-	-
	-	-

**5. Trade Payables:**

Particulars	in Rs.	
	2023	2022
Trade Payables	-	94,000.00
	-	94,000.00

**6. Other Current Liabilities:**

Particulars	in Rs.	
	2023	2022
"Share Application Money pending Allotment"	-	-
Directors Remuneration Payable	-	-
Audit fee payable	9,000.00	5,000.00
Rent Payable	-	-
Electricity Charges Payable	3,243.00	4,001.00
Salary Payable	22,000.00	9,000.00
	34,243.00	18,001.00

**6A. Short term Provisions:**

Particulars	in Rs.	
	2023	2022
Provision For Current Tax	-	-
	-	-

**M/S NOVO CABS PRIVATE LIMITED**

**HOTEL ROYAL SAMAD, M.A LINK ROAD, MUNAWARABAD, SRINAGAR-J&K**

**Schedule 8 of Fixed Assets as on March 31, 2023**

S.No	Particulars	Value As on 01/04/2022	Additions	Deletions	Date of Addition	Date of Deletion	Total	Dep. Rate	Depreciation value as 31/03/2023
1	<b>Computers and Peripherals:</b>								
	Computer/ Laptops	-	-	-		-	-	63.16%	-
	Printer	-	-	-		-	-	18.10%	-
	Other Computer Peripherals	-	-	-		-	-	18.10%	-
		-	-	-			-		-
2	<b>Plant and Machinery:</b>								
	Office Equipments	-	-	-		-	-	18.10%	-
		-	-	-			-		-
3	<b>Furniture and Fixtures:</b>								
	Office Tables & Chairs	-	-	-		-	-	25.89%	-
	Matting & Other Fixed Assets	-	-	-		-	-	25.89%	-
		-	-	-			-		-
	<b>Total</b>	-	-	-			-		-

**8. Deferred Tax Asset/ Liability:**

<b><u>Particulars</u></b>	<b><u>Details</u></b>	<b><u>Amount (Rs.)</u></b>
<b><i>Timing Difference:</i></b>		
Opening Balance		-
<b><i>Add:</i></b> Additions		-
<b><i>Less:</i></b> Reversals		-
		<hr/>
		-
		<hr/> <hr/>
<b>Current Tax Rate</b>		<b>30.90%</b>
<b><i>Deferred Tax Asset</i></b>		-
<b><i>Less:</i></b> Opening Balance		-
		<hr/>
<b><i>Deferred Tax Liability for CurrentYear</i></b>		-

**9. Trade Receivables**

	in Rs.	
Particulars	2023	2022
Trade Receivables		-
	-	-

**10. Cash & Cash Equivalents:**

	in Rs.	
Particulars	2023	2022
Cash in Hand:		
Cash At Bank	5,533.00	88,081.00
Cash In Hand	13,079.00	2,219.00
		-
	18,612.00	90,300.00

**11. Short Term Loans and Advances**

	in Rs.	
Particulars	2023	2022
Nil		-
		-

**12. Pre-Operative Expenses**

	in Rs.	
Particulars	2023	2022
Opening Balance	8,000.00	-
<b>Add:</b> Additions	-	10,000.00
<b>Less:</b> Written Off	2,000.00	2,000.00
	6,000.00	8,000.00



**13. Direct Income:**

in Rs.

**Particulars****2023****2022**

Revenue from Services/Commission

238,782.00

-

Other Direct Incomes

-

**238,782.00****-****14. Other Income:**

in Rs.

**Particulars****2023****2022**

Miscellaneous Income

-

-

**Total****-****-****15. Direct Expenses:**

in Rs.

**Particulars****2023****2022**

Opening Stock

-

-

Software &amp; App. Maintanance/Purchase

36,000.00

75,000.00

Less Closing Stock Stock Of Goods

-

**36,000.00****75,000.00****16. Employee Benefit Expenses:**

in Rs.

**Particulars****2023****2022**

Salaries to Other Staff

132,000.00

18,000.00

Directors Remuneration

-

-

**132,000.00****18,000.00**

**17. Other Expenses:****in Rs.**

<b>Particulars</b>	<b>2023</b>	<b>2022</b>
Audit Fee	9,000.00	5,000.00
Electricity Charges	3,243.00	1,820.00
Travelling & Conveyance	8,729.00	764.00
Misc. Expenses	7,765.00	1,098.00
Telephone and Calling Expenses	9,027.00	2,173.00
Business Promotion	2,876.00	4,309.00
Entertainment & Refreshment Exp	2,109.00	1,287.00
Office Maintenance	6,752.00	1,342.00
Printing & Stationery	1,211.00	908.00



---

**50,712.00      18,701.00**

---