

APITCO Limited
Parisrama Bhawan Basheerbagh Hyderabad
CIN U72200TG1976SGC002067



NOTICE TO SHAREHOLDERS

To

All the Members (Shareholders) of the APITCO Ltd.

Members of APITCO Limited are hereby given notice for the 46th Annual General Meeting of the Company, the schedule of which and business to be transacted therein, are given below:

Day and Date: Thursday, 22nd December, 2022

Time: 2:30 P. M.

Venue: Video Conferencing / Other Audio Visual Means ("VC/OAVM") Facility.

ORDINARY BUSINESS

1. To receive consider and adopt the Balance Sheet and the Profit & Loss Account of the Company for the year ended 31st March 2022 along with the Auditor's Report thereon and the Directors' Report.
2. To Appoint Auditors of the Company as approved by the Comptroller and Accountant General (CAG) Hyderabad.

To consider and thought fit to pass with or without modification the following resolution as ordinary Resolution:

"RESOLVED THAT M/S N N Rao & Co, Chartered Accountants, (HY0705) H. No. 6-3-665, Flat No. 302, Lumbini Enclave, Panjagutta, Hyderabad (M. No. 019995 FRN. 008283S), as approved by CAG be and is hereby reappointed as Auditors of the Company for the FY 2022-23 and to hold office until the conclusion of the next Annual General Meeting on a remuneration as informed by the office of the CAG and approved by the Board of Directors"

3. To appoint Director in place of the director Shri Nitin C Gajera who retires by rotation and is being eligible to offers himself for re-appointment in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

APITCO Limited
Parisrama Bhawan Basheerbagh Hyderabad
CIN U72200TG1976SGC002067



4. To appoint Director in place of the director Shri Charanjitsing A Taak who retires by rotation and is being eligible to offers himself for re-appointment in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

SPECIAL BUSINESS

5. To appoint and confirm the appointment of Shri Akhilesh Kumar Choudhary, Retired General Manager, Bank of India as Independent Director

"RESOLVED THAT Shri Akhilesh Kuamr Choudhary (DIN No. 02740039) who was appointed as an Additional Independent Director by the Board of Directors with effect from 30th March, 2022 who holds office upto the date of this Annual General Meeting in terms of the Articles of Association and Companies Act 2013, be and is hereby appointed as Independent Director of the Company."

6. To appoint and confirm the appointment of Shri Jhon Paul, Sr. Scientist and Chief Technical officer as Independent Director

"RESOLVED THAT Shri Jhon Paul (DIN No. 9549748) who was appointed as an Additional Independent Director by the Board of Directors with effect from 30th March, 2022 who holds office upto the date of this Annual General Meeting in terms of the Articles of Association and Companies Act 2013, be and is hereby appointed as Independent Director of the Company."

7. To Consider and approve the alteration in the Articles of Association in respect replace the name of Acquirer in place of SIDBI and Powers to be exercised by the Acquirer holding 801000 Equity Shares sold by the SIDBI and to maintain the PSU Status of the APITCO Ltd.

The SIDBI sold the 801000 equity shares to the acquirer hence the name of the SIDBI and power vested in the SIDBI under the Articles of Association of the Company be transferred to the Acquirer. Therefore consider and, if thought fit, pass, the following resolution as a Special Resolution

"RESOLVED THAT pursuant to provisions of section 14 of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof) (the "Act") read with rule 33 of the Companies (Incorporation) Rules, 2014 and other applicable provisions if any, the consents of the members of the Company be and is hereby accorded for alteration of the related clause(s) of the articles of association of the Company as under.

APITCO Limited
Parisrama Bhawan Basheerbagh Hyderabad
CIN U72200TG1976SGC002067



The Existing Clauses no. 3, 56, 57, 104 104 (3) 136, 178 and 179 of the Articles of Association of the company be and is hereby deleted and the following new Clauses No. 3, 56, 57, 104 104 (3) 136, 178 and 179 be and is hereby substituted in lieu of the deleted. Clauses

Clause No. 3: It is hereby declared by way of clarification that all the rights and powers conferred by these Articles on the ACQUIRER (in these Articles, referred to as the "Acquirers of SIDBI owned shares") shall be exercised and the references herein to the ACQUIRER shall have application only after it becomes a member and only so long as it continues to be a member with not less than 40% of the subscribed capital of the Company

Clause No. 56: There shall be paid to the Company, in respect of the transfer or transmission of any number of shares, a fee of 1% of sale consideration subject to such maximum on any one transfer as shall from time to time be determined by the Board

Clause No. 57: Subject to the provisions of Section 111 of the Act, the Board may, at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer or transmission of shares, (notwithstanding that the proposed transferee or the beneficiary under transmission be already a Member), but in such a case it shall, within two months from the date on which the instrument of transfer was or the intimation of such transmission, as the case may be, delivered, to the Company, send to the transferee and the transferor notice of the refusal to register such transfer OR intimate them to exercise the right of first refusal in favour of the existing shareholders (the right to pre-emption, also known as the 'Right of first refusal', ensures that the shareholders in a company can acquire the shares from the other shareholder who is selling his shares before he can offer those shares to an outsider.

Clause no. 104: (1) The First Directors of the Company shall be the following:

1. Shri C. S. Venkata Rao, who shall be the chairman
2. Shri S. S. Betrabet
3. Shri R. Ramachandra Rao
4. Shri D. Sankaraguruswamy
5. Shri K. Jayabharath Reddy
6. Shri K. T. G. Nambiar
7. Shri V. S. Parakal

APITCO Limited
Parisrama Bhawan Basheerbagh Hyderabad
CIN U72200TG1976SGC002067



Provided that if a vacancy arises in the office of the Chairman or the Managing Director before the close of the first Annual General Meeting of the Company, such vacancy may be filled up by the Board of Directors at a meeting of the Board on being nominated by the ACQUIRER of SIDBI owned Shares as per sub-clause (3) (a) hereunder.

(2) The first Directors shall hold office until the close of the first Annual General Meeting of the Company.

(3) Subject to provisions of section 255 of the Companies act, 1956 as long as ACQUIRER of SIDBI owned Shares continues to hold not less than 40% of the subscribed capital of company, ACQUIRER of SIDBI owned Shares shall be entitled to nominate upto 1/3rd of the total number of Directors of the Company and shall be entitled to remove any or all of the directors so nominated by it and to nominate any other persons(s) thereto from time to time. The Directors so appointed shall not be liable to retire by rotation. Out of the Directors so appointed, the ACQUIRER of SIDBI owned Shares may designate one as the Chairman and the same or one other as the Managing Director of the Company.

RETIREMENT AND ROTATION OF DIRECTORS

(4) At every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. In the following Articles a "retiring Director" means a Director retiring by rotation.

(5) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

(6) A Director retiring by rotation shall be eligible for re-appointment

(7) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

(8) If the place of a Director retiring by rotation is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the

APITCO Limited
Parisrama Bhawan Basheerbagh Hyderabad
CIN U72200TG1976SGC002067



same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place.

(9) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless

(i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost; or

(ii) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed; or

(iii) he is not qualified or is disqualified for appointment; or

(iv) a resolution, whether special or ordinary, is required for his appointment or reappointment by virtue of any provisions of the Act; or

(v) the provision to sub-section (2) of Section 263 of the Act is applicable to the case.

ADDITIONAL DIRECTORS

(10) (a) The Board shall have power at any time and from time to time, to appoint a person as an additional Director provided the number of Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

(b) Such a person shall hold office only upto the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

Clause No 104 (3): Subject to provisions of section 255 of the Companies act, 1956 as long as ACQIRER continues to hold not less than 40% of the subscribed capital of company, ACQIRER shall be entitled to nominate upto 1/3rd of the total number of Directors of the Company and shall be entitled to remove any or all of the directors so nominated by it and to nominate any other persons(s) thereto from time to time.

APITCO Limited
Parisrama Bhawan Basheerbagh Hyderabad
CIN U72200TG1976SGC002067



The Directors so appointed shall not be liable to retire by rotation. Out of the Directors so appointed, the ACQUIRER of SIDBI owned shares may designate one as the Chairman and the same or one other as the Managing Director of the Company

Clause No 136: (i) Subject to the provisions of the Act, the ACQUIRER of SIDBI owned shares shall have the power to appoint and to re-appoint one Managing Director of the Company for a term not exceeding five years at a time and upon such terms and conditions as the ACQUIRER of SIDBI owned shares thinks fit.

Clause No 178: POWERS OF ACQUIRER of SIDBI owned shares to give directives and of Chairman to reserve important decisions for ACQUIRER of SIDBI owned shares - Notwithstanding anything contained in any of these Articles, so long as the ACQUIRER of SIDBI owned shares holds not less than 40% of the subscribed capital of the Company, the ACQUIRER of SIDBI owned shares may, from time to time, issue such directives as it may consider necessary in regard to the conduct of the business of the Company of Directors thereof and in like manner may vary and annul any such directive. The Directors shall give immediate effect to the directives so issued.

Clause No. 179: The Chairman shall reserve for the approval of the ACQUIRER of SIDBI owned shares any proposals to or decisions of the Board of Directors in respect of any matter which, in the opinion of the Chairman, are of such importance as should be reserved for such approval.

No action shall be taken by the Company in respect of any proposals or decisions of the Board of Directors reserved for the approval of the ACQUIRER of SIDBI owned shares as aforesaid until its approval for the same has been obtained

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper to expedient to give effect to this resolution.

Dated: 26.11.2022

By order of the Board of Directors
Sd/-
Rajeev Vedprakash Mehra
Managing Director
DIN No. 00132537

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS:

ITEM NO. 7:

The Board of Directors of the Company has recommended the appointment of Mr. Akhilesh Kumar Choudhary, General Manager (Retired), Bank of India as an Independent Directors of the Company pursuant to Section 160 of the Companies Act, 2013 w.e.f. 30th March, 2022.

ITEM NO. 8:

The Board of Directors of the Company has recommended the appointment of Mr. Jhon Paul, Sr. Scientist and Chief Technical Officer as an Independent Directors of the Company pursuant to Section 160 of the Companies Act, 2013 w.e.f. 30th March, 2022.

Both the directors have declared that they are not disqualified from being appointed as a director of the Company.

The resolution is as per the provisions of Section 196(4) and Section 188 of the Companies Act, 2013 and your approval is sought for the proposed resolution.

None of the Directors and their relatives is interested in this resolution except the above named directors.

ITEM NO. 9:

Consequent upon sale of entire equity shares of SIDBI to JVD Holdings Pvt. Ltd. and Group, as per the Articles of Association of the Company. Consequent upon this the name of the SIDBI from the Articles of Association be replaced by the name Acquirer (JVD Holdings Pvt Ltd and promoters Mehra Family) and lead shareholder and replace the related clauses of the Articles of Association..

Your Directors recommend Resolution at Item No. 9 as a Special Resolution for approval of the members.

None of the Directors and/or any Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution No. 9.

By order of the Board of Directors
Sd/-

Rajeev Vedprakash Mehra
Managing Director
DIN No. 00132537

Directors' Report

To the Members,

Your Directors have pleasure in presenting their 46th Annual Report on the business and operations of the Company and the Audited Accounts for the year ended 31st March, 2022.

1. FINANCIAL RESULTS

A summary of the financial performance of the Company for the financial year ended 31.03.2022 is as under:

(Rupees in lakh)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Gross Income	102.84	180.05
Profit before tax (PBT)	(159.82)	(228.72)
Provision for tax	17.86	19.52
Profit after tax / (Loss) (PAT)	(141.92)	(248.24)
Profit brought forward from previous year	431.01	679.26
Dividend and tax thereon	-	-
Surplus carried to Balance Sheet	289.04	431.01
Paid-up Equity Share Capital	193.98	193.98
Dividend Rate	0	0

2. DIVIDEND

Since the Company has incurred loss during the current financial year, your Directors do not recommend any Dividend for the current year.

3. TRANSFER TO RESERVES

During the year, the Company has not transferred any amount to General Reserve.

4. PERFORMANCE REVIEW 2021-22

During the year, your Company recorded total revenues of Rs.102.84 lakhs contributed by the major business segments of the Organization. Profit before Tax/(Loss) recorded by your Company during the current financial year is Rs.(159.82) lakhs [compared to Loss of Rs. 228.72 lakhs of previous financial year].

FY 2021-22 witnessed low trends for the consulting and skill development business as both the states and central governments reduced their spending on the developmental activities. As APITCO's major business portfolio consists of Government Clients, business opportunities were slowed down and affected business of APITCO during the financial year. This scenario has also affected cash flows very seriously. There were no new business allotments/schemes announced during financial year from both Central and State Government departments. While most of the schemes launched either

provided direct safety nets to various beneficiaries, or schemes announced under Atmanirbhar Bharat, had yet to have proper institutionalization for implementation through their respective departments.

The COVID-19 pandemic also hampered APITCO's business activities training programmes and other projects. Efforts put for debtor collection has resulted in realizing receivables from old assignments and payments to the old creditors and vendors including payment of part of the statutory staff dues.

5. FUTURE OUTLOOK 2022-23

The effect of Covid 19 still looms large, and has continued impact on the organization's cash flows. However, there has been an increasing trend in skill training schemes announced by various Government Ministries, Departments & Corporations during this year. The organization would also emphasize on skill training assessment & certifications, wherein upfront investments for execution would be relatively minimal, while the advantage of being a public sector undertaking and a deemed government company would be unleashed. The organization has refocused its activities with the banking & financial institutions and would work towards increasing its cash flows through such projects. The growth in infrastructure projects across the country in several sectors are potential candidate projects the organization is targeting to provide its services in project management & transaction advisory services. The organization looks forward to leverage the diverse expertise to solicit projects from multilateral development organizations in technical as well as development/social sectors.

The company would continue to operate through business partners for augmentation and implementation of new business opportunities on one hand and put focused efforts in liquidating market receivables. Although the response from business partners in augmenting new business opportunities is encouraging, the Company has to manage challenges posed from various internal and external environments following the business conduct guidelines issued from time to time by Government of India. The Company looks forward to exploit its capability by strengthening in existing proven areas, leverage by aligning its activities in key sectors emphasized by the Government in its annual plans, and diversify in new areas. "At this crucial juncture, the company looks forward to support from all the stake-holders in playing its desired role in industrial development on a sustainable basis."

6. SUBSIDIARY COMPANIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Ventures and Associate Company as required to be disclosed in terms of provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(3) the Companies (Accounts) Rules, 2014.

7. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

About the material changes and commitments affecting financial position of the company between 31st March 2022 and the date of Board's Report: Nil

8. CHANGE IN THE NATURE OF BUSINESS, IF ANY

Nil

9. FIXED DEPOSITS

Your company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the balance sheet date.

10. STATUTORY AUDITORS

The Statutory Auditors of the Company are appointed by the Comptroller and Auditor-General of India as per the provisions of Section 139 of the Companies Act, 2013. The Comptroller and Auditor-General of India as per the provisions of Section 143 (6) & 143 (7) of the Companies Act, 2013 has the right to comment upon, or supplement, the audit report in such manner as he may think fit.

11. AUDITORS' REPORT

The Auditor's Report for the financial year 2021-22 and the Report Indian Audit and Accounts Department of Director General of Commercial Audit is attached alongwith the annual report.

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

Your Company has no activities relating to conservation of energy and technology absorption as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) the Companies (Accounts) Rules, 2014. But the Company has taken necessary measures wherever possible for the conservation of energy. However, your Company uses information technology in its operations and also continues its endeavor to improve energy conservation and utilization, safety and environment.

Your Company has not utilized or earned any foreign exchange during the year ended 31st March 2022 (Previous Year – Nil).

13. DIRECTORS & KEY MANAGERIAL PERSONNEL DIRECTORS

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and pursuant to the Articles of Association of your Company, (Name(s) decided by the Board of Directors retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. The Board, therefore, recommends the

re-appointment of Directors (one third directors retires by rotation and eligible for re-appointment).

Further, during the financial year under review the following Appointment, Reappointment, Change in Designation, Resignation of Directors has occurred:

1. Sri Akhilesh Choudhary, Retired General Manager, Bank of India appointed as Independent Director on the Board of the Company.
2. Sri Jhon Paul, Sr. Scientist and Chief Technical Officer as Independent Director of on the Board of the Company.

KEY MANAGERIAL PERSONNEL (KMP)

As per the provisions of Section 203 of the Companies Act, 2013 (the Act) read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed Company and every other Public Company having a paid-up share capital of ten crores rupees or more shall have whole-time Key Managerial Personnel (KMPs) namely (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director; (ii) Company Secretary; and (iii) Chief Financial Officer. Your Company is not required to appoint any whole-time KMPs as the paid-up share capital of the Company is less than the limit as prescribed above. However, Mr Vijey C Obhan appointed as Chief Executive Officer of the company.

14. MEETINGS OF BOARD OF DIRECTORS

During the Financial Year 2021-22, five (5) meetings of the Board of Directors of the Company were held on the following dates:

No. of Board Meetings convened	Board Meeting Number	Date of Board Meeting	Directors Present
1	201	29 th July, 2021	1. Sri Y. Venkata Rao 2. Sri Sanjay Jain 3. Sri R. Prabhakar Goud 4. Smt. M Padma
2	202	29 th November, 2021	1. Sri Y. Venkata Rao 2. Sri Pramod Vijayvargia 3. Sri R. Prabhakar Goud
3	203	14 th December, 2021	1. Shri K. H. Patnaik 2. Shri Pramod Kumar Vijayvargia 3. Shri V. Ganesh Vara Prasad 4. Shri Rajeevkumar Vedprakash Mehra 5. Shri Charanjitsingh Avtarsingh Taak 6. Shri Nitin Chunilal Gajera

4	204	19 th February, 2022	1. Shri Nitin Chunilal Gajera 2. Shri K. H. Patnaik 3. Shri V. Ganesh Vara Prasad 4. Shri Rajeevkumar Vedprakash Mehra 5. Shri Charanjitsingh Avtarsingh Taak
5	205	30 th March, 2022	1. Shri Nitin Chunilal Gajera 2. Shri Rajeevkumar Vedprakash Mehra 3. Shri Charanjitsingh Avtarsingh Taak

Number of meetings attended by the Directors during the financial year 2021-22:

Sl. No	Name of the Director	Date of Appointment	Number of meetings attended	Date of Cessation if any
1	Sri Y. Venkata Rao DIN:08873102 Chairman Nominated by: SIDBI	18-Jan-2021	1	14-Dec. 2021
2	Sri Sanjay Jain DIN:02559601 Director Nominated by: SIDBI	7-May-2018	1	29-Nov-2021
3	Sri R. Prabhakar Goud DIN:07701379 Director Nominated by: APSFC	06-Jan-2017	2	29-Nov-2021
4	Sri Pramod Vijayvargia DIN:03128554 Director Nominated by: SIDBI	29-Nov-2021	2	19-Feb-2022
5	Smt M Padma Director Nominated by: APIDC	29-July-2021	1	29-Nov-2021
6	Sri K H Patnaik DIN: 08503374 Director Nominated by: Canara Bank	29-July-2021	2	30-March-2022
7	Sri Ganesh Varaprasad DIN:09461875 Director Nominated by: APSFC	29-Nov-2021	2	--
8	Sri Rajeevkumar Vedprakash Mehra DIN: 00132537 Director Nominated by: Lead Shareholders	14-Dec. 2021	3	

Sl. No	Name of the Director	Date of Appointment	Number of meetings attended	Date of Cessation if any
9	Sri Nitin Chunnalal Gajera DIN: 00132537 Director Nominated by: Lead Shareholders	14-Dec. 2021	3	
10	Sri Charanjitsingh Avtarsingh Taak DIN: 08551790 Director Nominated by: Lead Shareholders	14-Dec. 2021	3	
11	Sri Akhilesh Choudhary DIN: 02740039 Independent Director	30-March-2022	-	
12	Sri Akhilesh Choudhary DIN: 09549748 Independent Director	30-March-2022	-	

15. PARTICULARS OF EMPLOYEES

None of the employees of your Company is in receipt of remuneration requiring disclosure pursuant to the provisions of Section 134(3) (q) of the Companies Act, 2013 read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, no such particulars in this regard are annexed.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

In the Financial Year 2020-21, the Company has not given any loan, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is higher, as prescribed in Section 186 of the Companies Act, 2013.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has raised unsecured long term loan from the Lead Shareholder's Group Company NBFC as detailed in the annual report.

18. RISK MANAGEMENT POLICY

The Company has Risk Management Policy approved by the Board of Directors of the Company.

19. SEXUAL HARASSMENT POLICY

The Company has Sexual Harassment Policy approved by the Board of Directors of the Company.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No significant and material orders were passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

21. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013 (Act) read with relevant Rules made there under, your Directors confirm that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit and loss of your Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts for the financial year ended 31st March, 2022 on a going concern basis; and
- (v) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Further, your Directors confirm that your Company has adequate internal systems and controls in place to ensure compliance of laws applicable to your Company.

22. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls commensurate with the size of the Company.

23. ACKNOWLEDGEMENT

The Board sincerely thanks various Ministries, Organizations, Departments and corporations under Government of India, Government of Andhra Pradesh, Government of Telangana, Government of Karnataka, Government of Orissa and Government of Chhattisgarh, Government of Gujarat etc. for patronizing the Organisation and requests them to extend their support on a continuous basis.

The Board also acknowledges the support extended by State Bank of India, Union Bank (e-Andhra Bank), Canara Bank (e-Syndicate Bank), Indian Bank, IFCI, ICICI, IDBI Bank, APSFC, APIDC, various stakeholders and expresses its gratitude and also seeks their patronage further.

The Board also expresses its thanks to all the valued customers for patronizing the Organization and the service providers, External Consultants & Domain Experts for associating and assisting the Organisation in delivering the services.

The Board also appreciates and thanks all the shareholders of the Organisation for the support extended, trust reposed and valuable advice rendered.

The Board acknowledges the commitment, hard work and contribution made by all the employees despite constraints and calls upon them to rededicate themselves to perform better and provide quality services, which would put the Organisation back on positive growth track.

Place: Hyderabad

Date: 26.11.2022

For and on behalf of the Board of Directors

Sd/-

Rajeev Vedprakash Mehra

Managing Director

DIN No. 00132537



भारतीय लेखापरीक्षा और लेखा विभाग
महा निदेशक वाणिज्यिक लेखापरीक्षा एवं
पदेन सदस्य लेखापरीक्षा बोर्ड का कार्यालय, हैदराबाद

INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE DIRECTOR GENERAL OF
COMMERCIAL AUDIT AND EX-OFFICIO MEMBER,
AUDIT BOARD, HYDERABAD

No. DGCA/A/c/Desk/2021-22/APITCO/1.34 | 566

Date: 24 November 2022

To
The Managing Director,
APITCO Limited,
8th Floor, Parisram Bhavan,
Basheer Bagh,
Hyderabad-500004

Sub: - Comments of the C&AG of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of APITCO Limited for the year ended on 31 March 2022

Sir,

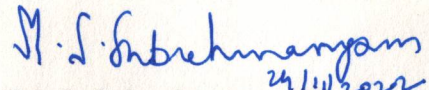
I forward herewith the 'Nil Comments' Certificate of Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of APITCO Limited for the year ended on 31 March 2022.

2. The date of placing the comments along with Annual Accounts and Auditors' Report before the shareholders of the Company may please be intimated and a copy of the proceedings of the meeting may be furnished.
3. The date of forwarding the Annual Report and Annual Accounts of the Company together with Auditors' Report and comments of the Comptroller and Auditor General of India to the Central Government for being placed before the Parliament may please be intimated.
4. Ten copies of the Annual Report for the year 2021-22 may please be furnished in due course.

The receipt of this letter along with the enclosures may please be acknowledged.

Encl:- As above

Yours faithfully,


(M. S. Subrahmanyam)
Director General

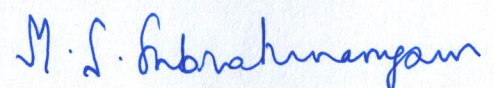
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF APITCO LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of APITCO Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 10 November 2022 which supersedes their earlier Audit Report dated 24 September 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of APITCO Limited for the year ended 31 March 2022 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

In view of the revision made in the financial statements by the management to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the Statutory Auditors' Report under Section 143(6)(b) of the Act.

**For and on behalf of the
Comptroller and Auditor General of India**



**(M. S. Subrahmanyam)
Director General of Commercial Audit
Hyderabad**

**Place: Hyderabad
Date: 24 November 2022**



N. N. RAO & CO.

CHARTERED ACCOUNTANTS

Flat No. 302, Lumbini Enclave, Urvashi Bar Lane,
Opp. NIMS, 6-3-665, Punjagutta, Hyderabad - 500 082.
Phone : (O) 040-66615804, (R) 040-23315919 (M) 9948292020

REVISED INDEPENDENT AUDITOR'S REPORT

{Issued Consequent to Audit Enquiries vide letter dated 18.10.2022 by Office of the Director General of Commercial Audit, Hyderabad - 500004, and it supersedes our Independent Auditor's Report dated 24/09/2022}

To
The Members of the Board
APITCO LIMITED, Hyderabad

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of M/s. APITCO LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matters described in the Basis for Qualified Opinion section of our report**, 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 and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. No provision has been made for Trade receivables of Rs.12,67,83,981/- (net of provision of Rs.1,33,65,364/- already made) which are outstanding for more than three years, which in our opinion, are doubtful of recovery. These Outstanding Balances are not confirmed by the Respective Parties nor any major recoveries noticed in these accounts. However the Management is in correspondence with them
2. The Company has not paid dividend of Rs.13,19,500/- declared for the financial year 2015-16. The company is liable for interest and penalties, which have not been quantified, for non compliance with section 124(1) and (3) of the Companies Act, 2013.
3. In the Financial statements of the company, as on 31/03/2022, on the assets side of balance sheet under Loans and Advances Viz.,
 - Advance to Madhumita Software amounting to Rs.2,08,30,756/-
 - Rent Deposit-Aajeevika amounting to Rs.1,38,57,000/-

With respect to which the company is claiming for Rs.2,45,08,476/- as per the commercial



O.S.No. 231 of 2017, in the civil suit filed against M/s. Madhumitha software services, as excess amount paid over the eligible amount to M/s. Madhumitha software services. Which resulted in overstatement of Assets by Rs.1,01,79,280/-.

4. The Company is not complying with Various Statutory Compliances such as filing of PF, GST and TDS Returns & Payment of Taxes / Contribution to the government. The Company is liable for interest and penalties, which have not been quantified for non-compliance of above-mentioned statutory payments & the provision for such is not made in books of accounts.
5. In the Financial statements of the company, as on 31/03/2022, on the Liabilities side of balance sheet under other current Liabilities Viz.,

- GST Payable amounting to Rs.62,78,225/-(net off ITC Rs.23,54,072/-)

Of the amount showing as ITC, opening balance as on 01/04/2021 is Rs.20,83,292/- which would lapse as per the provisions of CGST Act since the company has not filed any of its GST returns claiming the ITC. (As per Sec 18(2) of CGST Act)

6. We have placed the reliance on the closing balances contained in the financial statements for the preceding period after performance of audit procedures as per SA 510 "Initial Audit Engagements-Opening Balances".

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

Emphasis of Matters - Key Audit Considerations

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. In MCA Portal, as per Index of charges, two charges registered are still in open status in the name of APITCO Limited with Charge ID's: (i) 90139014 (ii) 90137236, for an amount of Rs.8,00,000/- and Rs.2,00,000/- respectively for which the company need to file with RoC - form regarding satisfaction of charge if no such charge is in existence.

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 information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



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

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 Companies Act, 2013, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. To the extent of information and explanations given to us, the company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer to Notes To Accounts No. 10 to the financial statements.
 - ii. In our opinion and as per the information and explanations provides to us, The Company has not entered into any long-term contracts including derivatives contracts,



requiring provision under applicable laws or accounting standards for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (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;
- (c) Based on such audit procedures which we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material mis-statement
- v. the company has not declared or paid any dividend during the year, hence the clause related to compliance with section 123 of the Companies Act, 2013, is not applicable.

For NN RAO & CO.,
Chartered Accountants
FRN : 008283S



N N RAO
Partner
Membership No. 019995

UDIN:
22019995BCVVZA5909

Place: Hyderabad
Date: 10/11/2022

Annexure A to the Independent Auditors' Report

With reference to the Annexure referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2022, we report the following:

- I. (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) Fixed assets were not physically verified 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, there are no immovable properties held in the name of the Company, hence this clause is not applicable to the company

(d) Company has not revalued its Property, Plant and Equipment during the year.
- II. (a) The Company is a service company, primarily rendering consultancy services. Accordingly, it does not hold any physical inventories. Hence this clause is not applicable to the company.

(b) The Company has not been sanctioned any working capital limits during the year. Hence this clause is not applicable to the company.
- III. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company.
- IV. In respect of loans, guarantees, investments or Securities, the company has complied with the provisions section 185 and section 186 of companies act, 2013,
- V. In our opinion, the Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- VI. As per the information and explanation given to us, The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company.
- VII. (a) According to the information and explanations 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, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues, have not been regularly deposited during the year by the Company with the appropriate authorities.



(b) According to the information and explanations given to us, undisputed amounts payable in respect of Provident fund, Income-tax, Goods and Service tax, cess and other material statutory dues were in arrears as at 31st March 2022, for a period of more than six months from the date they became payable are as follows:

S. no	Nature of Statutory Due	Total Outstanding Amount (Rs.)	Outstanding Amount (Rs.) for more than Six months
1	Provident Fund Contribution	2,05,93,684	1,88,82,824
2	Employee State Insurance	65,547	54,762
3	Profession Tax	64,900	31,900
4	Tax Deducted at Source	11,41,547	85,328
5	GST Liability (Excluding ITC)	93,59,853	74,12,042
6	Service tax Liability	38,14,647	38,14,647
7	Interest and Penalty on TDS Defaults	14,40,373	14,00,639

(c) The following statutory dues have not been deposited on account of dispute as at 31-03-2022.

Name of Statute & Nature of Due	Amount Involved (Rs.)	Period for which Dispute is related	Forum Where litigation is Pending
The Employee's Provident Funds and Miscellaneous Provisions Act, 1952	Rs.16,28,118	01-04-2006 to 31-03-2009	Office of the Regional Provident Fund Commissioner, Exemption, Regional Office, Hyderabad
The Employee's Provident Funds and Miscellaneous Provisions Act, 1952	Rs.32,58,332	01-04-2011 to 31-03-2013	Office of the Regional Provident Fund Commissioner, Exemption, Regional Office, Hyderabad
The Income Tax Act, 1961	Rs.68,53,219	A.Y 2017-18	CIT Appeals, Hyderabad

VIII. There are no such transactions that are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

IX. According to information and explanations given to us and on the basis of our examination of the books of account, the Company has not defaulted in repayment of any loan due to financial institutions and banks.

b) The Company is not declared as wilful Defaulter by any Bank or Financial Institution or Other Lender

(c) The Company has not raised any term loans.

(d) The Company has not utilised any funds taken on short term basis for Long term purpose



(e)The company has not raised any funds for meeting obligations of subsidiaries, joint ventures or associates

(f) The company has not raised any funds on the pledge of securities held in its subsidiaries, joint ventures or associates

- X. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

According to the information and explanations given to us and based on 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, paragraph 3(xiv) of the Order is not applicable to the Company.

- XI. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit. Accordingly, the provisions of clause 3(x) (b), (c) of the Order are not applicable to the Company.

- XII. According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.

- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 & 188 of the Companies Act, 2013, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- XIV. The Company does not have any Internal Audit System as provisions of Section 138 of Companies Act 2013 are not applicable.

- XV. 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 him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

- XVI. According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

- XVII. The company has incurred cash loss of Rs.1,20,53,000/- in the financial year and Rs. 2,27,88,000 in the immediately preceding financial year.

- XVIII. There is no resignation of the statutory auditors during the year.

- XIX. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, in our

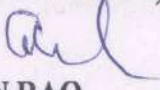


opinion, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance 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.

XX. The provisions of Section 135 of Companies Act, 2013, with respect to CSR activities are not applicable to the Company. Accordingly, the provisions of clause 3(xx) (a), (b) of the Order are not applicable to the Company

XXI. Consolidated Financial Statements do not apply to the Company

For NN RAO & CO.,
Chartered Accountants
(FRN : 008283S)


NN RAO
Partner
Membership No. 019995



UDIN:
22019995BCVVZA5909

Place: Hyderabad
Date: 10/11/2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Auditor's Report on the directions issued by the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013 ("the Act")

We have audited the financial statements of M/s. APITCO LIMITED ("the Company"), for the year ended 31st March 2022, pursuant to the directions issued by the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013 ("the Act"). On the basis of checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we report that:

1. The company has system in place to process all the accounting transactions through IT system. No accounting transactions are accounted outside IT system.
2. As there is no restructuring of an existing loan made by a lender to the company, the matter to be reported in case of waiver/write off of debts /loans/interest etc. is not applicable.
3. The company has not received any funds from Central/State Government for specific schemes during the year.

For NN RAO & CO.,
Chartered Accountants
(FRN : 008283S)



N N RAO
Partner
Membership No. 019995



UDIN:
22019995BCVVZA5909

Place: Hyderabad
Date: 10/11/2022

APITCO Limited
BALANCE SHEET AS AT 31ST MARCH, 2022

(In Thousand Rupee)

	Particulars	Note No.	2021-22		2020-21	
I.	EQUITY AND LIABILITIES					
1	Shareholders' Funds					
	(a) Share Capital	1	19,398		19,398	
	(b) Reserves and Surplus	2	44,588		58,785	
	(c) Monies received against share warrants		-	63,986	-	78,183
2	Non-Current Liabilities					
	(a) Long-Term Borrowings	3	661		-	
	(b) Deferred Tax Liabilities (Net)		-		-	
	(c) Other Long-Term Liabilities		-		-	
	(d) Long-Term Provisions	4	6,352	7,013	9,636	9,636
3	Current Liabilities					
	(a) Short-Term Borrowings	5	(2,808)		37,919	
	(b) Trade Payables	6	482		-	
	(c) Other Current Liabilities	7	1,07,148		1,19,357	
	(d) Short Term Provision	8	37,453	1,42,275	34,533	1,91,809
	Total Rs.			2,13,274		2,79,628
II.	ASSETS					
1	Non-Current Assets					
	(a) Property, Plant and Equipments and Intangible Assets					
	(i) Property, Plant and Equipments	9	641		823	
	(ii) Intangible Assets		-		-	
	(v) Fixed Assets held for Sale		-	641	-	823
	(b) Non-current investments		-		-	
	(c) Deferred tax assets (net)	10	8,362		6,576	
	(d) Long-term loans and advances	11	16,695		16,416	
	(e) Other non-current assets	12	1,34,817	1,59,874	1,55,970	1,78,962
2	Current Assets					
	(a) Current investments	13	3,000		3,000	
	(b) Inventories		-		-	
	(c) Trade receivables	14	980		3,927	
	(d) Cash and cash equivalents	15	8,605		50,888	
	(e) Short-term loans and advances	16	39,861		38,961	
	(f) Other current assets	17	313	52,759	3,067	99,843
	Total Rs.			2,13,274		2,79,628
	Contingent Liabilities and Commitments			NIL		NIL

The Notes referred to above form an integral part of the Balance Sheet.
As Per Our report of even date

For N N Rao & Co
Chartered Accountants

CA N N Rao
Partner
MRN : 019995
FRN : 08283s
Place: Hyderabad
Date: 10/11/2022
UDIN No. 22019995BCVVZA5909



For and On Behalf of the Board of Directors
APITCO Limited

Rajeev V Mehra
Director
Din - 0132537

Place: Hyderabad
Date: 10/11/2022

Charan Jitsingh Avtarsingh Taak
Director
Din - 08551790

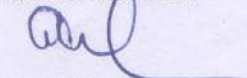
APITCO Limited
STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2022

(In Thousand Rupee)

	Particulars	Note No.	2021-22	2020-21
I	Revenue from Operations	18	9,442	14,752
II	Other Income (Interest)	19	842	3,253
III	TOTAL REVENUE (I + II)		10,284	18,005
IV	EXPENSES			
	Operating Expenses	20	4,986	3,018
	Purchase of Stock in Trade		-	-
	Changes in Finished Goods, WIP & Raw Material		-	-
	Employee Benefit Expenses	21	10,434	23,472
	Finance Costs	22	1,674	3,569
	Depreciation and Amortization Expenses	7	182	85
	Other Expenses	23	8,990	15,594
	Prior Period Items	24	8,990	(4,860)
	TOTAL EXPENSES		26,266	40,878
V	Profit before Exceptional and Extraordinary Items and Tax (III-IV)		(15,982)	(22,873)
VI	Exceptional Items		-	-
VII	Profit before Extraordinary Items and Tax		(15,982)	(22,873)
VIII	Extraordinary Items		-	-
IX	Profit Before Tax		(15,982)	(22,873)
X	Tax Expense			
	Current Tax		-	-
	Deferred Tax		(1,786)	1,953
XI	Profit/(Loss) for the period from Continuing Operations (IX-X)		(14,196)	(24,825)
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit/(Loss) from Discontinuing Operations (after tax) (XII-XIII)		-	-
XV	Profit/(Loss) for the Period (XI+XIV)		(14,196)	(24,825)
XVI	Earnings per Equity Share			
	-Basic		(7.32)	(12.80)
	-Diluted		(7.32)	(12.80)
	Additional Information			

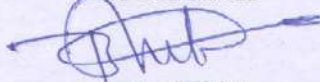
The Notes referred to above form an integral part of the Balance Sheet.
As Per Our report of even date

N N Rao & Co
Chartered Accountants



CA N N Rao
Partner
MRN : 019995
FRN : 08283s
Place: Hyderabad
Date: 10/11/2022
UDIN No. 22019995BCVVZA5909

For and On Behalf of the Board of Directors
APITCO LIMITED



Rajeev V Mehra
Director
Din - 0132537

Place: Hyderabad
Date: 10/11/2022



Charanjitsingh Avtarsingh Taak
Director
Din - 08551790

APITCO Limited
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 MARCH 2022

(In Thousand Rupee)

Particulars	Year Ended	
	31/03/2022	31/03/2021
A. CASH FLOW FROM OPERATING ACTIVITY		
Profit before Taxation	(15,982)	(22,873)
Adjustment for:		
Income from Financial activity (Interest / Dividend)	1,674	3,569
Depreciation	182	85
Operating Profit before working capital changes	(14,126)	(19,219)
Changes in working capital :-		
Increase/(Decrease) in trade payables	482	-
Increase/(Decrease) in other current liabilities	(12,209)	16,687
Increase/(Decrease) in short term provision (Duties and Taxes)	2,920	11,486
(Increase)/Decrease in Non-current Assets	21,153	-
(Increase)/Decrease in inventories	-	-
(Increase)/Decrease in trade receivables	2,947	1,809
(Increase)/Decrease in Short Term loans and advances	(900)	(2,093)
(Increase)/Decrease in other Assets	2,754	(3,056)
Increase/(Decrease) in last year provision		
	17,147	24,833
Cash generated from Operations	3,021	5,614
Less:- Taxes paid	-	-
Net Cash generated from operations before extraordinary items	3,021	5,614
Extraordinary items	-	-
Net Cash generated from operating activities	(A) 3,021	5,614
B. CASH FLOW FROM INVESTING ACTIVITY		
Fixed Asset (Purchased)/Sold	-	(79)
Non Current Assets	-	2,847
Investment in Fixed Deposits	(7,970)	-
Net Cash generated from Investing activities	(B) (7,970)	2,768
C. CASH FLOW FROM FINANCING ACTIVITY		
Increase/(Decrease) in other short-term borrowings	(40,727)	1,261
Increase/(decrease) in Long Term Borrowing	661	(6,199)
Increase/(decrease) in Long Term Provision	(3,284)	-
Increase/(decrease) in Share Capital	-	-
Interest Paid	(1,674)	(3,569)
(Increase)/Decrease in Long Term loans and advances	(279)	-
Net Cash generated from Financing activities	(C) (45,303)	(8,507)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(50,252)	(125)
Add: Bank Deposits with more than 12 months maturity (regrouped into cash & cash equivalents as per Schedule III)	-	37,089
CASH & CASH EQUIVALENTS, AT THE BEGINNING OF YEAR	50,888	13,924
CASH & CASH EQUIVALENTS, AT THE END OF YEAR	635	50,888

Note:

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

The previous years' figures wherever necessary have been regrouped/reclassified

As per our report of even date attached
For N N Rao & CO
Chartered Accountants

CA N N Rao

Partner

MRN : 019995

FRN : 08283s

Place: Hyderabad

Date: 10.11.2022

UDIN No. 22019995BCVVZA5909



For and On Behalf of the Board of Directors
APITCO Limited

Rajeev V Mehra

Director

Din-0132537

Place : Hyderabad

Date: 10.11.2022

Charanjit Singh Avtarsingh Taak

Director

Din-08551790

APITCO Limited
Schedules to Financial Statements for F. Y. 2021-22

Share Capital
Note No : 1 - 1

(In Thousand Rupee)

Particulars	2021-22		2020-21	
	Number	Amount	Number	Amount
Authorized Capital				
20,00,000 Equity Shares of Rs. 10/- each	2,000	20,000	2,000	20,000
Issued, Subscribed & Fully Paid Up Equity Capital				
19,39,800 Equity Shares of Rs. 10/- each	1,940	19,398	1,940	19,398
Grand Total	1,940	19,398	1,940	19,398

Note No: 1 - 2
Reconciliation of share capital

Particulars	2021-22		2020-21	
	Number	Amount	Number	Amount
Opening Balance	1,940	19,398	1,940	19,398
Add : Shares issued during the year	-	-	-	-
Closing balance	1,940	19,398	1,940	19,398

Note No: 1 - 3
Shares in the company held by other company

Particulars	Equity Shares		Equity Shares	
	Number	Amount	Number	Amount

Note No: 1 - 4
Shareholders holding more than 5% of Share

Particulars	2021-22		2020-21	
	Number	% of Holding	Number	% of Holding
Small Industries Development Bank of India (SIDBI)	-	0.00%	801	41.29%
Andhra Pradesh State Financial Corporation (APSFC)	243	12.53%	243	12.53%
Andhra Pradesh Industrial Development Corporation (APIDC)	180	9.28%	180	9.28%
Andhra Bank	180	9.28%	180	9.28%
Syndicate Bank	180	9.28%	180	9.28%
IFCI Limited	108	5.57%	108	5.57%
ICICI Bank	90	4.64%	90	4.64%
Others	158	8.14%	158	8.14%
JVD Holdings Pvt Ltd	600	30.93%	-	0.00%
Rajeev V Mehra HUF	100	5.15%	-	0.00%
Rajeevkumar V Mehra	101	5.21%	-	0.00%



Note No: 1 - 5

Aggregate number of shares for five years 2017-18 to 2021-22

Particulars	Number
2017-18	1,940
2018-19	1,940
2019-20	1,940
2020-21	1,940
2021-22	1,940

Note No: 1 - 6

Amount of unpaid calls by

Particulars	2021-22	2020-21
Directors	-	-
Officers	-	-

Note No: 1 - 7

Additional information of Shareholding pattern of promoters

Promoter Name	No of Shares	% of Total Shares	% Change during the year
Small Industries Development Bank of India (SIDBI)	801	41.29%	0.00%
Andhra Pradesh State Financial Corporation (APSFC)	243	12.53%	0.00%
Andhra Pradesh Industrial Development Corporation (APIDC)	180	9.28%	0.00%
Andhra Bank	180	9.28%	0.00%
Syndicate Bank	180	9.28%	0.00%
IFCI Limited	108	5.57%	0.00%
ICICI Bank	90	4.64%	0.00%
Others			

Note No - 2 Reserves & Surplus

Particulars	2021-22	2020-21
Capital Reserve	-	-
Capital Redemption Reserve	-	-
Securities Premium Account	-	-
General Reserve	15,684	15,684
Profit & Loss Account		
Opening Balance	43,101	67,926
Add : Profit / Loss during the year	(14,196)	(24,826)
	28,904	43,101
Total Rs	44,588	58,785



Note No - 3 Long Term Borrowings

Particulars	2021-22	2020-21
Secured	-	-
Term Loans	-	-
- From banks	-	-
Unsecured	661	-
- Loans and Advances from Related Parties	661	-
Vipra Securities	661	-
-	-	-
- From Others	-	-
Total Rs	661	-

Note No - 4 Long - Term Provisions

Particulars	2021-22	2020-21
(a) Provision for employee benefits		
Superannuation	-	-
Gratuity (unfunded)	1,361	(17)
Leave Encashment	4,356	9,018
Leave Fare Allowance	635	635
(b) Others (Specify nature)		
Total Rs	6,352	9,636

Note No - 5 Short Term Borrowings

Particulars	2021-22	2020-21
(a) Secured Overdraft		
IDBI Limited	-	10,000
Indian Bank	-	10,118
Syndicate Bank	-	4,389
UnSecured		
(b) Others (Specify nature)	(2,808)	13,412
Total Rs	(2,808)	37,919



Note No - 6.1 Trade Payables/Creditors

Particulars	2021-22				
	Less than 1 year	1 to 2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	482	-	-	-	482
Disputed- MSME	-	-	-	-	-
Disputed-Others	-	-	-	-	-
	482	-	-	-	482

Note No - 6.2 Trade Payables/Creditors

Particulars	2020-21				
	Less than 1 year	1 to 2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	-	-	-	-	-
Disputed- MSME	-	-	-	-	-
Disputed-Others	-	-	-	-	-
	-	-	-	-	-

Note No - 7 Other Current Liabilities

Particulars	2021-22	2020-21
A) Total Outstanding to MSME	-	-
B) Total Outstanding other than MSME	-	-
(a) Service Tax Payable	3,815	3,815
(b) GST Payable	6,273	7,277
(c) Performance Incentive - Managing Director	424	424
(d) TDS on Contract, Profession, Rent and Salaries	187	1,004
(e) Provision for expenditure for executed assignments	38,582	51,507
(f) Advances from Clients	4,790	4,790
(h) Interest Payable	1,348	1,348
(i) Others	48,002	49,102
(j) Rent Payable	3,747	-
(k) Outstanding to MSME	-	-
Total Rs	1,07,148	1,19,357

Note No - 8 Short Term Provision

Particulars	2021-22	2020-21
(a) Provision for employee benefits	-	-
Salary & Reimbursements	36,032	33,142
(b) Taxation	-	-
(c) Proposed Dividend & Tax	1,391	1,391
(d) Professional Tax	1	-
(e) Provision for Exp	29	-
Total Rs	37,453	34,533



Note No - 10 Deferred Tax Assets (Net)

Particulars	2021-22	2020-21
(a) Deferred Tax Asset	8,362	6,576
Total Rs	8,362	6,576

Note No - 11 Long-Term Loans and Advances

Particulars	2021-22	2020-21
(a) Unsecured, considered good:		
Income Tax Refunds	15,150	15,150
Provident Fund Deposits against Appeal	1,503	1,257
Rent Deposit	33	-
Total Rs	16,695	16,416

Note No - 12 Other Non-Current Assets

Particulars	2021-22	2020-21
A. MAT Credit Entitlement	1,114	1,114
B. Trade receivables outstanding for a period exceeding one year:		
Secured, considered good	-	-
Unsecured, considered good	1,45,124	1,66,277
Unsecured, considered doubtful	-	-
	1,45,124	1,66,277
Less: Provision for doubtful debts	12,792	12,792
	1,32,332	1,53,485
C. Income tax paid for appeal	1,371	1,371
Total Rs	1,34,817	1,55,970

Note No - 13 Current Investments

Particulars	2021-22	2020-21
Non-Trade, Unquoted, Short Term :		
(a) India SME Asset Reconstruction Company Limited (300,000 Equity Shares @ Rs. 10/- each, fully paid-up)	3,000	3,000
(b) HUDCO Public Deposit Scheme	-	-
Total Rs	3,000	3,000



Note No - 14.1 Trade Receivables/Debtors

Particulars	2021-22					Total
	Less than 6 months	6 months to 1 year	1 to 2 years	2-3 years	More than 3 years	
Undisputed- Good	980	-	-	-	-	980
Undisputed-doubtful	-	-	-	-	-	-
Disputed- Good	-	-	-	-	-	-
Disputed-doubtful	-	-	-	-	-	-
	980	-	-	-	-	980

Note No - 14.2 Trade Receivables/Debtors

Particulars	2020-21					Total
	Less than 6 months	6 months to 1 year	1 to 2 years	2-3 years	More than 3 years	
Undisputed- Good	3,592	335	-	-	-	3,927
Undisputed-doubtful	-	-	-	-	-	-
Disputed- Good	-	-	-	-	-	-
Disputed-doubtful	-	-	-	-	-	-
	3,592	335	-	-	-	3,927

Note No - 15 Cash & Cash Equivalents

Particulars	2021-22	2020-21
(a) Balances with Banks in Current Accounts	635	1,261
(b) Bank Deposits	-	12,538
(c) Cheques, drafts on hand	-	-
(d) Cash on hand	-	-
(e) Bank Deposits with more than 12 months maturity	7,970	37,089
Total Rs	8,605	50,888

Note No - 16 Short Term Loans & Advances

Particulars	2021-22	2020-21
Unsecured, considered good:		
(a) Loans and advances to related parties	420	1,019
(b) Advances Recoverable in Cash or in kind or for Value to be received:	-	-
(i) Assignment / Vendor Advances / Others	34,698	34,698
(ii) Service Tax Receivable	-	-
(c) TDS Receivables	4,231	2,607
Less: MAT TAX	-	-
(d) Deposits including EMDs	3,651	3,491
Less: Provision for EMD	(3,139)	(2,854)
Total Rs	39,861	38,961



[Handwritten signature]

Note No - 17 Other Current Assets

Particulars	2021-22	2020-21
(a) Interest accrued but not due on Fixed Deposits & on Bonds	265	3,067
(b) Prepaid Expenses	48	-
Total Rs	313	3,067

Note No - 18 Revenue from Operations

Particulars	2021-22	2020-21
Skill Development & EDPs	-	3,058
Research Studies	-	-
Project related Services, Infrastructure Planning & Development	9,442	10,785
Arms Income	-	-
Cluster Development	-	909
Asset Reconstruction & Management Services	-	-
Total Rs	9,442	14,752

Note No - 19 Other Income

Particulars	2021-22	2020-21
Interest on Fixed Deposits & Investments (Bonds)	842	3,253
Total Rs	842	3,253

Note No - 20 Operating Expenses

Particulars	2021-22	2020-21
Skill Development & EDPs	-	1,863
Market Surveys	-	124
Project Management & Inspection	4,886	1,025
Cluster Development	-	6
Total Rs	4,886	3,018

Note No - 21 Employee Benefit Expenses

Particulars	2021-22	2020-21
(a) Salaries and incentives	9,226	19,147
(b) Contributions to Provident Fund	1,132	1,496
(c) Gratuity fund contributions	-	-
(d) Leave Encashment	-	2,662
(e) Staff welfare expenses	76	167
(f) Variable pay	-	-
Total Rs	10,434	23,472



Note No - 22 Finance costs

Particulars	2021-22	2020-21
Interest expenses	1,649	3,565
Interest Accrued and due on OD	1,638	2,304
Bank Interest - IDBI OD Acc	374	822
Interest on OD - Indian Bank	1,264	1,050
Interest on OD - Syndicate Bank	-	432
Other interest	11	1,261
Interest on PF Loan	-	1,261
Interest Other	11	-
Bank Charges	25	4
Total Rs	1,674	3,569

Note No - 23 Other Expenses

Particulars	2021-22	2020-21
Auditor Fees	69	100
Payments to the auditor as	69	60
a. auditor,		
b. for taxation matters,	-	40
c. for company law matters,	-	-
d. for reimbursement of expenses;	-	-
Rent	4,070	4,121
Rates and Taxes	95	33
Insurance	10	9
Electricity	360	380
ISO Registraion Fee	7	-
Repairs and Maintenance	159	305
Travelling and Conveyance	488	423
Postage & Communication	122	214
Printing and Stationery	40	187
Petrol and Diesel Exp	40	-
Security Charges	139	710
Office Maintenance Charges	67	77
Professional Fees	3,310	6,086
Membership Fees & Books and Periodical	-	31
Directors' Sitting Fees	-	59
Provision for Doubtful Trade Receivables	-	2,847
Miscellaneous Expenses	14	12
Total Rs	8,990	15,594

Note No - 24 Prior Period Items

Particulars	2021-22	2020-21
Other Income	-	(101)
Gratuty Fund Contribution(reversal of provision)	-	(3,170)
Leave encashment(reversal of provision)	-	(3,029)
TDS Defaults	-	1,440
Total Rs	-	(4,860)



Note No- 25 Other Notes

- a) Figures have been rounded off to the nearest rupee.
- b) Trade Payables, Trade Receivables & other outstanding balances are subject to confirmation or reconciliation from the parties.
- c) Expenditure on Employees who were in receipt of Remuneration in the aggregating Rs. 500,000/- p.m. or Rs. 60,00,000/- p.a were none.
- d) Provision for all known liabilities are made and are adequate except company's liabilities towards leave salary & bonus.
- e) Expenditure in Foreign Currency Rs. NIL
- f) Total Sales in foreign currency Rs. NIL
- g) The financial accounts have been prepared on the historical cost convention. Provision of all known liabilities are adequate
- h) Sales and Income is recorded net of Taxes and its as per the terms of Income.
- i) Depreciation provided on Fixed assets as per companies act WDV Method
- j) No loans or advances are given to Promoters, directors, related parties during the financial year
- k) No CC is taken on basis of stock and debtors from bank
- l) There is no relationship with sturck off Companies.
- m) There is no default in repayment of any loans

As Per Our report of even date

For N N Rao & Co
Chartered Accountants


CA N N Rao


Partner
MRN : 019995
FRN : 08283s
Place: Hyderabad
Date: 10/11/2022
UDIN No.
22019995BCVVZA5909

For and On Behalf of the Board of Directors

APITCO Limitec


Rajeev V Mehra

Director
Din - 0132537

Place: Hyderabad
Date: 10/11/2022


Charanjitsingh
Avtarsingh Taak
Director
Din - 08551790

APITCO Limited

Annexure - 7 Depreciation Chart as per Companies Act for Financial Year 2021-22

Name of The Assets	Date of Purchase	Gross Block		31/03/2022	Closing WDV As on 31.03.2022	Rate of Depreciation	Total Day Date of Purchase	Total Days	Accumulated Depreciation			Net Block		
		Cost	Addition During the Year						Deduction During the Year	Up to 31.03.2021	Addition During the Year	Deduction During the Year	Up to 31.03.2022	31.03.2021 WDV
Air Conditioner	12/08/2019	1,054	-	-	1,054 9.5		365	365	1,011	14	-	1,025	53	39
Mobile vivo S1 Pro	31/03/2020	8,997	-	-	8,997 19		365	365	8,515	67	-	8,582	481	414
Artistic Wall Frame	20/08/2019	1,259	-	-	1,259 9.5		365	365	1,196	12	-	1,207	64	52
Chair	16/08/2019	4,457	-	-	4,457 9.5		365	365	4,283	66	-	4,358	164	99
Furniture & Fixture	21/09/2019	179	-	-	179 9.5		365	365	118	24	-	143	60	35
Total		15,556	-	-	15,956				15,133	102	-	15,315	823	641
Total of Previous Year		15,877	79	-	15,956	-	-	-	15,048	85	-	15,133	828	823

Notes: Depreciation provided on Fixed assets as per companies act WDV Method



Apitco limited

Ratio Analysis

(In Thousand Rupee)

Sr. No.	Ratio	Particular	31/03/2022	31/03/2021	31/03/2022	31/03/2021	% Variance	Reason for variance
1	Current ratio	Current Asset	52,759	99,843	0.37	0.52	-29%	
		Current Liabilities	1,42,275	1,91,809				
2	Debt equity ratio	Total Debt	1,49,288	2,01,445	2.33	2.58	-9%	
		Shareholder's Equity (Capital plus reserve)	63,986	78,183				
3	Debt service coverage ratio	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + interest + other adjustments like loss on sale of Fixed assets etc	(14,126)	(19,219)	(8.44)	(5.38)	57%	
4	Return on Equity	Interest & Lease Payments + Principal Repayments	1,674	3,569				
		Net Profits after taxes – Preference Dividend (if any)	(14,196)	(24,825)	-73%	-128%	-43%	
5	Inventory turnover ratio	Average Shareholder's Equity	19,398	19,398	NA	NA	NA	
		Cost of goods sold OR sales	NA	NA	NA	NA	NA	
		Average Inventory (Opening + Closing balance / 2)	NA	NA	NA	NA	NA	
6	Trader receivable turnover ratio	Net Credit Sales (gross credit sales minus sales return)	9,442	14,752	3.85	7.10	-46%	
		Average Accounts Receivable (Opening + Closing balance / 2)	2,454	2,078				
7	Trade payable turnover ratio	Net Credit Purchases (gross credit purchases minus purchase return)	NA	NA	NA	NA	NA	
		Average Working Capital	NA	NA	NA	NA	NA	
8	Net capital turnover ratio	Net Sales (total sales minus sales returns)	9,442	14,752	(0.10)	(0.16)	-35%	
		Average Working Capital	(90,741)	(91,966)				
9	Net profit ratio	Net Profit	(14,196)	(24,825)	-150.35%	-168.28%	-11%	
		Net Sales	9,442	14,752				
10	Return on capital employed	Earning before interest and taxes	(15,972)	(22,864)	-7.49%	-8.18%	-8%	
		Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	2,13,274	2,79,628				
		Return	(14,196)	(24,825)	-22.19%	-31.75%	-30%	
11	Return on investment	Investment	63,986	78,183				



Deferred Tax Calculation 2020-21**On Fixed Assets**

Closing Balance as per CoA	6,40,687
Closing Balance as per ITA	20,62,519

Deferred Tax Asset / (Liability)	3,69,676
---	-----------------

On Leave Encashment

Balance as per Financials	49,90,986
---------------------------	-----------

On Gratuity

Balance as per Financials	13,61,078
---------------------------	-----------

Deferred Tax Asset / (Liability)	16,51,537
---	------------------

Disallowances of Statutor Dues

Provident fund disallowance- Employer	-
Esi Employer	-
Professional Tax	-

TDS on Salary deducted but not paid (30%)	-
--	---

Total of Statutory Dues Disallowance	-
--------------------------------------	---

Deferred Tax Asset / (Liability)	-
---	----------

On Loss Amount

Balance of Loss after set off current year profit.	2,43,86,757
--	-------------

Deferred Tax Asset / (Liability)	63,40,557
---	------------------

Total Deferred Tax Asset at end of year	83,61,770
--	------------------

Less: Opening Deferred Tax Asset	65,76,224
----------------------------------	-----------

Deferred Tax Asset to be made in CY	17,85,546
--	------------------

	Debit	Credit
Profit and Loss Cr.	17,85,546	-
To Deferred Tax Asset a/c Dr.		17,85,546

For N N Rao & CO
Chartered Accountants

[Signature]

CA N N Rao
Partner
MRN : 019995
FRN : 08283s
Place: Hyderabad
Date: 10.11.2022
UDIN No. 22019995BCVVZA5909

For and On Behalf of the Board of Directors
APITCO LIMITED

[Signature]

Rajeev V Mehra
Director
Din-0132537

Place : Hyderabad
Date: 10.11.2022

[Signature]

Charanjit Singh Avtarsingh Taak
Director
DIN-08551790

APITCO Limited

NOTE ON ACCOUNTS

1. Corporate Information:

APITCO Limited (APITCO) is a Public Limited Company incorporated under the provisions of the Companies Act, 2013.

APITCO is a multi-disciplinary Consultancy Organization rendering Consulting Services in the areas of Project identification, Project counseling, Pre-feasibility reports, Detailed project feasibility studies, Infrastructure planning, Due diligence of business proposals, Project Monitoring Services, Market assessment, Expansion & debt restructuring, Diversification and turnaround strategies, Energy audits, Waste minimization, Environment impact assessment, Valuation of Assets, Skill development, Extending handholding to micro entrepreneurs through its 'escort services', Development of Industry Clusters (Cluster Development), Non-Performing Assets Resolution, and Due diligence (legal & financial) of Non-Performing Assets.

2. Significant Accounting Policies:

i. Basis of Accounting

The financial statements of the Company are prepared under historical cost convention on an accrual basis and are in accordance with the requirements of The Companies Act, 2013 of India (The Act).

ii. Fixed Assets and Depreciation / Amortization

Fixed Assets are stated at actual cost less accumulated depreciation. The actual cost capitalized includes freight, installation cost, duties, levies and all incidental expenses attributable to bringing the asset to its working condition.

Depreciation on fixed assets is being provided as per Schedule II of The Act. Individual assets acquired for less than Rs. 5,000/- are entirely depreciated in the year of acquisition.

The cost of and the accumulated depreciation for fixed assets sold, retired or otherwise disposed off are removed from the stated values and the resulting gains and losses are included in the profit and loss account.

As per Management useful life of the furniture considered as 8 years and Depreciation provided on Fixed assets as per companies act WDV Method



iii. Investments

Investments in Bonds and Fixed Deposits of financial institutions and other approved Government organizations are Long-term investments and are valued at cost with an appropriate provision for any permanent diminution in value. Short-term Investment valued at Cost or Market value whichever is lower.

iv. Taxes on Income

Tax expense for the year comprises of current tax and deferred tax. Current taxes are measured at the amounts expected to be paid using the applicable tax rates and tax laws. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the profit and loss account in the year of change. Deferred tax assets and deferred tax liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry forwards.

v. Income Recognition

Incomes from Operations in respect of assignments undertaken by the Company are accounted for as follows:

- a) Private parties, Banks etc on submission of the final reports.
- b) Government, Corporations and Government Companies etc., on submission of draft reports or as per the milestones accomplished in accordance with the Terms of Reference (ToR) for the assignment.
- c) Revenue in respect of projects/assignments of long term duration in implementation are recognized on the basis of stage-wise completion as per the Terms of Reference (ToR) for the respective project/assignment.
- d) Subsidies / Grant-in-Aid from Central / State Level Departments / Corporations, if availed or received, are considered as part of the fee for the respective assignment.
- e) Revenue on account of training programmes is taken into account on completion of specific phases as per the Terms of Reference (ToR) for such programs.
- f) Interest on deployment of surplus funds is recognized using the time proportion method based on interest rates implicit in the transaction.



vi. Retirement Benefits

Gratuity

Gratuity payable to eligible employees is administered through a separate Trust, which has taken a policy with LIC of India. Company has taken actuary valuation report for the same.

Leave Encashment

The liability of leave encashment is provided for.

Provident Fund

Provident Fund payable to eligible employees is administered through a separate Trust, which is maintained by the Company. Monthly EPS (pension) is payable to the EPF department on monthly basis.

vii. Remuneration to Managing Director

(Amount in Thousands Rs.)

	01.04.2021 To 31.03.2022	01.04.2020 To 31.03.2021
Salary	0.00	14,15,569
Allowances and other benefits including performance incentive	0.00	1,67,371
Total	0.00	15,82,940

There was No MD in the Company from January 2021 to December 2021. Mr Rajeev V Mehra designated as Managing Director w.e.f. 14/12/2021 on an annual salary of Re. 1/-

viii. The computation of profit under section 198 of The Act for calculation of performance incentive of Managing Directors is as follows:

(Amount in Thousand Rs.)

	01.04.2021 To 31.03.2022	01.04.2020 To 31.03.2021
Profit before tax / (Loss) (Before charging performance incentive)	(12,235)	(22,873)
Add: Depreciation provided in books	182	85
Less: Depreciation u/s Income Tax Act	-	410
Profit u/s 198	-	(22,546)
Performance Incentive: 2.5% of net profit subject	0	



to a ceiling equivalent to 50% of Basic plus Dearness Allowance for the year		
- 2.5% of profit	0	0
- 50% of Basic plus Dearness Allowance for the year	0	0
Performance Incentive	0	0

Since company has no profit from business operations of current year hence no provision for performance incentive is made in books.

ix. Expenditure incurred in Foreign Currency

(Amount in Rs.)

	01.04.2021 To 31.03.2022	01.04.2020 To 31.03.2021
Traveling – Director(s)	-	-
SME Delegation & Others	-	-
Total	-	-

x. Earnings in Foreign Currency: NIL

3. Deferred Tax Assets:

Deferred Tax Asset in respect of Fixed Assets of Rs. 3,69,676/- Deferred Tax Asset in respect of Losses of Rs 63,40,557/- Deferred Tax Asset in respect of Leave Encashment and Gratuity of Rs.16,51,537/- at the end of the year after adjusting current year timing difference to the opening balances was provided in the accounts.

4. Current assets, loans and advances are realizable at a value, which is at least equal to the amount, at which these are stated, in the ordinary course of business.
5. The Company has not paid GST on Skill Development Training programs based on Notification No. 12/2017 – Central Tax (Rate) issued by Ministry of Finance, GoI dated 28-06-2017. List of key clientele is provided in the below table:

S. No	Name
1.	Coir Board
2.	Andhra Pradesh State Energy Conservation Mission (APSECM)
3.	A.P. State Kapu Welfare and Development Corporation
4.	District Minority welfare officer, Nizamabad
5.	Aajeevika Skills, Karnataka
6.	District Minority welfare officer, Sanga Reddy District
7.	AP State Minorities Finance Corporation Ltd



6. TDS receivables as per books as on 31-03-2022 amounts to Rs. 12.76 lakhs as against Rs. 12.76 lakhs as per Form 26AS.
7. Proposed Dividend for the year 2015-16 amounting to Rs. 13.90 lakhs is yet to be paid to Institutional Shareholders as on 31-03-2022.
8. Dues to micro, small and medium enterprises & small-scale industrial undertakings:

As at March 31, 2022, the Company has no outstanding dues to micro, small and medium enterprises who have submitted memorandum to the concerned authorities as per the relevant provisions of Micro, Small Medium Enterprises Development Act, 2006 and the Company has no outstanding dues to small-scale industrial undertakings.

9. **Earnings Per share:**

(Amount in Thousand Rs.)

	2021-22	2020-21
Profit /(loss) for the year- Rs.	(14196)	(24825)
Number of Shares (Weighted Average)	1940	1940
Nominal Value of the Shares - Rs.	10	10
Earnings per share - Basic & Diluted - Rs.	(07.32)	(12.80)

10. **Contingent Liabilities:**

(i) **Bank Guarantees:**

The following are the Bank Guarantees given to Chhattisgarh Building and Other Construction Workers Welfare Board Raipur against training assignment:

S.No	Issued to	Amount (Rs.)
1	Chhattisgarh Building and Other Construction Workers Welfare Board Raipur	49,50,000
	Total	49,50,500

- (ii) APIDC Limited rental arrears demand of Rs.6,675,567/- for the period 1-11-1998 to 31-01-2008. This claim is not acknowledged as debt by the Company since Government Order No. 431 dated 28-12-1993 issued by Industries & Commerce (IP) Department, Government of Andhra Pradesh was in force till 12-02-2008.

Demand notice

(iii) **Provident Fund:**

- a) Office of the Regional Provident Fund Commissioner, Exemption, Regional Office, Hyderabad had issued ORDER dated August 08, 2010 vide letter no. AP/RO-HYD/ Exemp./25139/2010/1178 for payment of Rs. 16,28,118/- towards P.F. in respect of



contract consultant employees not enrolled to P.F. Membership for the period 01-04-2006 to 31-03-2009.

APITCO has appealed against the ORDER before "EPF Appellate Tribunal", New Delhi on October 06, 2010. APITCO has appointed Mr. Koka Satyanarayana Rao, Advocate to represent our case before "EPF Appellate Tribunal", New Delhi. This claim is not acknowledged as debt by the Company.

- b) Office of the Regional Provident Fund Commissioner, Exemption, Regional Office, Hyderabad had issued ORDER dated May 08, 2018 vide letter no. AP/25139/Exemp. Cell/RO/HYD/2018/227 for payment of Rs. 32,58,332/- towards P.F. in respect of contract consultant employees not enrolled to P.F. Membership for the period 01-04-2011 to 31-03-2013.

APITCO is in the process of appealing against the ORDER before the "Appellate Tribunal", Hyderabad. Court proceedings are suspended due to COVID-19

This claim is not acknowledged as debt by the Company.

(iv) Income tax:

- a. Office of the Income Tax Officer, Ward 1(2), Hyderabad, has issued Order dated 18/12/2019 for the Assessment Year 2017-18 raised Income tax demand of Rs. 68,53,219 against same Order APITCO has filed an appeal before "The Commissioner of Income Tax (Appeals) dated 17/01/2020.

(v) Legal Matters:

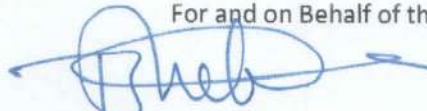
- a) Mrs. Lakhi Swain of Bhubaneswar had filed civil suit in the Court of the Civil Judge (SR. Division), Bhubaneswar towards recover of rental arrears for the period May 2015 to April 2017 amounting to Rs 12,71,786/- which is still pending at hearing stage.
- b) ESS Construction, Hyderabad filed a case against APITCO, under Telangana State Consumer Dispute Redressal Commission, Hyderabad refund of advance payment of Rs. 6,00,000/- given in 2016. The case is a hearing stage.
- c) APITCO filed a case against M/s Madhumita Software Services in the City Civil Court(xxivth Court), Hyderabad to recover the excess payment of Rs.2,45,08,476/- made to M/s Madhumita Software Services. The case is at hearing stage.
- d) Yash Ispat Hyderabad filed a case against APITCO, at Telangana High Court to refund Rs.2.25 lakh paid in 2010 for DPR. The case is a hearing stage.
- e) Gopal Sewing machines, Nellour, Usha International, Hyderabad and Naga Educational Society Vijayawada has filed cases against recovery of amount due towards the sewing



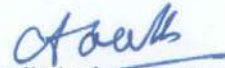
machines supplied by them in the year 2016-17 for and on behalf of MEPMA, Vijayawada. The cases are pending at various stages, however, management is persuading to the MEPMA to release the fund so the payments to be released to the Vendors of the sewing machines

11. Debtors and creditors balances as on March 31, 2022 are not confirmed, however Company is in correspondences to recover the same.
12. Foreign Currency Conversion: There is No Foreign currency Transactions, hence not applicable.
13. In respect of Trade receivables which are outstanding since a long time the company has made provision as per the "Debtors Provision Policy -Revised-2015. The total amounts outstanding Trade receivable (showing in Current Assets and other Non-Current Assets) and provision made in the accounts.
14. Lien has been marked on the Fixed Deposits of Rs. 50.00 lakhs, which are appearing in the financial statements as on 31/03/2022 under cash and cash equivalents, for the Overdraft facilities availed by the Company.
15. The Company has 19,39,800 Equity shares of Rs. 10/- each. Out of that 801000 (41.29%) equity shares held by SIDBI has been sold to M/s JVD Holdings Pvt Ltd, Mr. Rajeev V Mehra and M/s Rajeev V Mehra HUF in November 2021. The Scheduled Commercial Banks, All India financial Institutions, and State level Corporations jointly having 10,53,000 (54.28%) equity shares and rest of the shares 4.27% are being held by various Staff Members.

For and on Behalf of the Board Directors of APITCO Limited



Rajeev V Mehra
Director
DIN 0132537



Charanjitsingh Avtarsingsingh Taak
Director
DIN 08551790

