

**PRAVEG COMMUNICATION(AUS)
PTY LTD**

**SPECIAL PURPOSE STANDALONE
FINANCIAL STATEMENT FOR
F.Y 2022-23**

K.V PATEL & CO.

Chartered Accounts

1, Ground Floor,
Shree Krishala Appartment,
B/S. I.D.Patel Education Campus,
R.C Technical Road,
Ghatlodia, Ahmedabad-380061.



K. V. Patel & Co.

Chartered Accountants

ACCOUNTANT'S COMPILATION REPORT

To

Board of Directors
PRAVEG LIMITED

We have compiled the accompanying financial statements of **PRAVEG COMMUNICATIONS (AUS) PTY LTD** based on information you have provided. These financial statements comprise the Balance Sheet as at March 31, 2023, the statement of Profit and Loss for the year then ended on March 31, 2023, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with accounting principles generally accepted in India i.e. as per section 133 of companies Act 2013. We have complied with relevant ethical requirements.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with accounting principles generally accepted in India.

For, K. V. PATEL & CO.

Chartered Accountants

FRN. 145522W



Krut V. Patel

Partner

Membership No.176354

UDIN: 23176354BGXRBK1266

Place: Ahmedabad

Date: 24/05/2023

PRAVEG COMMUNICATIONS (AUS) PTY LTD

Special Purpose Standalone Balance Sheet as on 31-3-2023

Amount in Rs.

Particulars	Notes No.	As at 31-Mar-23	As at 31-Mar-22
Assets			
Current Assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	1	78,265.00	80,925.00
Total Current Assets		78,265.00	80,925.00
Total Assets		78,265.00	80,925.00
Equity and liabilities			
Equity			
(a) Equity Share Capital	2	120.00	120.00
(b) Other Equity	3	(141,703.00)	(146,515.00)
Total Equity		(141,583.00)	(146,395.00)
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Current Borrowings	4	219,848.00	227,320.00
Total Current Liabilities		219,848.00	227,320.00
Total Liabilities		219,848.00	227,320.00
Total Equity and Liabilities		78,265.00	80,925.00

For, K. V. PATEL & CO.

Chartered Accountants

FRN. 145522W



Krut V. Patel

Partner

Membership No.176354

UDIN : 23176354BGXRBK1266

Ahmedabad

24-05-2023

PRAVEG COMMUNICATIONS (AUS) PTY LTD

Special Purpose Standalone Statement of Profit and Loss for the year ended 31-3-2023

Amount in Rs.

Particulars	Notes No.	For the Year ended 31-3-2023	For the Year ended 31-3-2022
Other Income		0.00	0.00
Expenses			
Depreciation and Amortisation Expense		0.00	0.00
Professional Fees		0.00	15,345.00
Total Expenses		0.00	15,345.00
Profit / (Loss) before exceptional items and Tax		0.00	(15,345.00)
Exceptional items		0.00	0.00
Profit / (Loss) before tax		0.00	(15,345.00)
Tax Expense:			
Current Tax		0.00	0.00
Deferred Tax		0.00	0.00
		0.00	0.00
Profit (Loss) for the period from continuing operations		0.00	(15,345.00)
Profit/(loss) from discontinued operations		0.00	0.00
Tax expense of discontinued operations		0.00	0.00
Profit/(loss) from Discontinued operations (after tax)		0.00	0.00
Profit/(loss) for the period		0.00	(15,345.00)
Total comprehensive income for the year		0.00	0.00
Total comprehensive income and Profit and Loss for the year		0.00	(15,345.00)
Earnings Per Equity Share (EPS) [for discontinued & continuing operations]			
Basic and Diluted EPS (Rs.)		-	(7,672.50)

For, K. V. PATEL & CO.

Chartered Accountants

FRN. 145522W

K. V. Patel

Krut V. Patel

Partner

Membership No.176354

UDIN : 23176354BGXRBK1266



Ahmedabad

24-05-2023

PRAVEG COMMUNICATIONS (AUS) PTY LTD

Notes to Special Purpose financial statements for the year ended on March 31, 2023

1 Cash and Cash Equivalents

Amount in Rs.

Particulars	31/Mar/2023	31/Mar/2022
Balances with banks		
In current accounts	78,265.00	80,925.00
Total Cash and Cash Equivalents	78,265.00	80,925.00

2 Equity Share Capital

Particulars	31/Mar/2023	31/Mar/2022
Issues, Subscribed and fully Paid Up Capital		
i.2 Equity Shares of Rs.60/- each fully paid up	120.00	120.00
Total Equity Share Capital	120.00	120.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at	As at	As at	As at
	31-Mar-23	31-Mar-23	31-Mar-22	31-Mar-22
	No. Shares	(Rs.in INR)	No. Shares	(Rs.in INR)
At the beginning of the Year -Fully Paid Up	2	120.00	2	120.00
Add : Additional during the year	0	0.00	0	0.00
Outstanding at the end of the year	2	120.00	2	120.00

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

C. Details of shareholders holding more than 5% shares in the Company

Particulars	As at	As at	As at	As at
	31-Mar-23	31-Mar-23	31-Mar-22	31-Mar-22
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of Rs.60 each fully paid				
Praveg Communications (india) Limited	2	100.00%	2	100.00%
Total	2	100.00%	2	100.00%



3 Other Equity		Amount in Rs.	
Particulars	31/Mar/2023	31/Mar/2022	
Retained Earnings			
Opening Balance	(143,481.00)	(107,861.00)	
Add :			
Opening Current Rate Difference	0.00	(20,275.00)	
Profit / (Loss) for the period	0.00	(15,345.00)	
Closing Balance of Retained Earning	(143,481.00)	(143,481.00)	
FCTR			
Opening Balance	(3,034.00)	(20,910.00)	
Add :			
Opening Current Rate Difference	0.00	0.00	
Current year difference	4,812.00	17,876.00	
Closing Balance of FCTR	1,778.00	(3,034.00)	
Total Other Equity	(141,703.00)	(146,515.00)	
4 Current Borrowings			
Particulars	31/Mar/2023	31/Mar/2022	
<u>UNSECURED :-</u>			
i Loan from related party	219,848	227,320	
Total Current Borrowings	219,848.00	227,320.00	



Notes to Special Purpose financial statements for the year ended on March 31, 2023

1 Basis of preparation and presentation

Standalone Financial Statements of the Company have been prepared as per Indian Accounting Standards (Ind AS) in accordance with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

2 Foreign currency transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

3 Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

(i) Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.



Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

(i) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

(ii) Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Derecognition of financial liabilities

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

Investment in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any). The investments in preference shares with the right of surplus assets which are in nature equity in accordance with Ind AS 32 are treated as separate category of investment and measured as at FVTOCI.

Offsetting of financial instruments

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

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.



4 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue from contracts with customers for sale of Goods or Services is recognized when either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or service to its customers and there is a certainty of collection of revenue. If the Company collects any tax with revenue, it is on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is disclosed net of discounts, incentives and returns, as applicable.

Dividend is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

5 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

6 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

7 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

8 Cash Flow Statement

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

9 Non-current assets (or disposal groups) classified as held for disposal:

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell.

To classify any Asset as "Asset held for disposal" the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for disposal".

Once classified as held for disposal, intangible assets and PPE are no longer amortised or depreciated.



10 Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

11 Significant accounting judgements, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

Estimation of net realizable value for inventories

Inventory is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

Impairment of non - financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Recoverability of trade receivables

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Useful lives of property, plant and equipment/intangible assets

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.



Taxes and valuation of deferred tax assets

Significant management judgement is required to determine the amounts of current taxes, deferred taxes and tax credits that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under policies above.

Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

