

L N Nangalya & Co
(Chartered Accountants)

D-66, Vivek Vihar, Phase-I

Delhi-110095

Email: calnqoe@gmail.com



INDEPENDENT AUDITORS' REPORT

To

The Members of

Clavax Technologies Private Limited

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **M/s Clavax Technologies Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2023, 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, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit (or Loss) for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Material Uncertainty Related to Going Concern

There is no significant uncertainty on the Company's ability to continue as a going concern.

Key audit matters

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



L N Nangalya & Co
(Chartered Accountants)

D-66, Vivek Vihar, Phase-I

Delhi-110095

Email: calngoel@gmail.com



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

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's responsibility for the financial statements

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

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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



L N Nangalya & Co
(Chartered Accountants)

D-66, Vivek Vihar, Phase-I

Delhi-110095

Email: calnqael@gmail.com



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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



L N Nangalya & Co
(Chartered Accountants)

D-66, Vivek Vihar, Phase-I

Delhi-110095

Email: calnagoel@gmail.com



Report on other legal and regulatory requirements

- Based on our audit, we report that the provisions of section 197 read with schedule V to the act are not applicable to the company since the company is not a public company as defined under section 2(71) of the Act.
- The provisions of 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**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- Further to our comments in Annexure –I as required by Section 143(3) of the Act, we report to the extent applicable, 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 and the statement of profit and loss 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 Companies (Accounting standards)) Rules, 2021;

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) 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, and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

a. The Company does not have any pending litigations which would impact its financial position;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



L N Nangalya & Co
(Chartered Accountants)

D-66, Vivek Vihar, Phase-I

Delhi-110095

Email: calngoel@gmail.com



d.

1. The management has represented that, to the best of its knowledge and belief, no funds has been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the company to or in any person or entity, including foreign entity with the understanding, whether recorded in writing or otherwise, that the intermediary shall whether directly or indirectly lend or invest in other entities identified in any manner whatsoever by or on behalf of the company (the ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate company.

2. The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entity (the funding parties), with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly, lend invest in other person or entity identified in any manner whatsoever by or on behalf of the funding party (Ultimate beneficiary) or provide ant guarantee, security or the like on behalf of the ultimate beneficiary and

3. based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representation under sub clause (1) and (2) above contain any material misstatement.

For and on behalf of

L N Nangalya & Co

(Chartered Accountants)

FRN: 0151414N

Laxmi Narain

CA Laxmi Narain

(Partner)

Membership number: 094994



Place: New Delhi

Date: 02.09.2023

UDIN: 23094994BGRJW9509

L N Nangalya & Co
(Chartered Accountants)

D-66, Vivek Vihar, Phase-I

Delhi-110095

Email: calnqoe@gmail.com



"Annexure A" to the Independent Auditors' Report

In terms of the information and explanations sought by us and given by the Company and the books of accounts and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that;

- (i)
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
 - (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the company, is reasonable having regard to the size of the company and the nature of its assets
 - (c) The Company does not own any immovable property. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the company.
 - (d) The company has not re valued its Property, Plant and Equipment during the year. Further, the company does not hold any intangible assets.
 - (e) No proceeding have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under. Accordingly , reporting under clause 3(i)(e) of the Order is not applicable to the company.
- (ii)
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
 - (b) The company has been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during the year and same has been utilized for business of the company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firm, Limited Liability Partnership (LLP) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The company has not entered into any transaction covered under section 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the company.



L N Nangalya & Co
(Chartered Accountants)

D-66, Vivek Vihar, Phase-I

Delhi-110095

Email: calnagoe@gmail.com



- (v) In our opinion , and according to the information and explanations given to us , the company has not accepted deposit or there is no amount which has been considered as deemed deposit within the meaning of section 73 to 76 of the Act and the companies (Acceptance of Deposits) Rules, 2014 (amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the company.
- (vi) The central government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)
- (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with appropriate authorities by the company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year –end for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanation given to us, no transaction were surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (43 of 1961) which have been recorded in the books of accounts.
- (ix)
- (a) According to information and explanation given to us, the company has not defaulted in repayment of its loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to information and explanations given to us including confirmation received from banks/financial institution and representation received from management of the company, and on the basis of our audit procedures, we report that the company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanation given to us, money raised by way of term loans were applied for the purpose for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis which have been utilised for long-term purposes.



L N Nangalya & Co
(Chartered Accountants)

D-66, Vivek Vihar, Phase-I
Delhi-110095
Email: calnqoel@gmail.com



- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x)
- a) The company has not raised any money by way of initial public offer or further public offer (including debt instrument), during year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the company.
- b) According to information and explanations given to us, the company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debenture during the year. . Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the company.
- (xi)
- (a) To the best of our knowledge and According to information and explanations given to us, no fraud by the company or on the company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with central government for the period covered by our audit.
- (c) According to information and explanations given to us, including the representation made to us by the management of the company there are no whistle-blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the company.
- (xiii) In our opinion and according to the information and explanation given to us, all transactions entered into by the company, with the related parties are in compliance with section 188 of the Act. The detail of such related party transaction has been disclosed in the financial statement etc. As required under accounting standard (18), Related Party Disclosures specified in Companies (Accounting Standard) Rules; 2021 as prescribed under section 133 of the Act. Further, According to information and explanations given to us, the company is not required to constitute an audit committee under section 177 of the Act.
- (xiv)
- (a) According to the information and explanation given to us, the company is not required to have an internal audit system under section (138) of the Act.
- (xv) According to the information and explanation given to us, the company has not entered into any non-cash transaction with its director or person connected with them and accordingly provision of section 192 of the Act are not applicable to the company.
- (xvi) The company is not required to registered under section 45-IA of the Reserve Bank of India Act ,1934 .Accordingly, reporting under clause 3(xvi)(a),(b) and (c) of the Order are not applicable to the company.




L N Nangalya & Co
(Chartered Accountants)

D-66, Vivek Vihar, Phase-I
Delhi-110095
Email: calngoel@gmail.com



- (xvii) The company has incurred cash losses in the current financial year but not in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year; accordingly, reporting under clause 3(xviii) of the Order is not applicable to the company.
- (xix) On the basis of the financial ratios, aging and expected dates of realization 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, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- (xx) According to the information and explanation given to us, the company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according; reporting under clause 3(xx) of the Order is not applicable to the company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the company; accordingly, no comment has been included in respect of said clause under this report.

For and on behalf of
LN Nangalya & Co
(Chartered Accountants)
FRN: 0151414N


CA Laxmi Narain
(Partner)
Membership number: 094994



Place: New Delhi
Date: 02.09.2023
UDIN: 23094994BGRJW9509