

DIRECTOR'S REPORT

To,
The Members,
Naapbooks Limited

Your Directors are please to present the 4th Annual report on the business and operation of the company and audited financial statements for the financial year ended 31st March, 2021.

1. Financial Performance

The highlights of the financial results for the financial year 2020-21 are as under:

Particulars	(Rs. In Lakhs)	
	March 31, 2021	March 31, 2020
Income from Operations (gross)	271.33	225.12
Total Income	271.45	225.33
Depreciation & amortization	18.78	20.64
Provision of Tax	15.94	13.22
Deferred Tax	2.40	(1.79)
Net Profit/Loss	47.05	32.40

2. Dividend

With a view to conserve reserve, your directors do not recommend any dividend for the financial year ended, 31st March, 2021.

3. Transfer to reserves in terms of section 134 (3) (j) of the companies act, 2013

The board does not proposed any amount to carry to any specific reserves.

4. Brief description of the Company's working during the year

During the year under review, the Company reported net income from operations of Rs. 271.33 Lakhs. The net profit after tax reported for the year is of Rs. 47.05 Lakhs.

5. Change in the nature of business

There is no Change in the nature of the business of the Company done during the year.

6. Material changes and commitments occurred between the date of balance sheet and the date of audit report

No significant material changes and commitments have occurred between the date of the balance except the following:-

The Company has been filed DRHP with BSE Startup platform dated 21st May, 2021.

7. Significant And Material Orders Passed By Regulators/Courts/Tribunals:

There are no significant and material orders passed by Regulators/Court/Tribunals against the company.

8. Changes in shares capital:

There was increase in Authorised Share Capital of the Company from Rs.10, 00,000 to Rs. 2, 00,00,000 during the financial year 2020-21.

There was increase in Paid up, issued and Subscribed Capital of the Company from Rs. 1,00,000 to Rs. 1,31,74,000 during the Financial year 2020-21.

9. Deposits:

The Company has neither accepted nor renewed any deposits during the year under review.

10. Particulars of Loans, Guarantee or Investments:

The company has not given any loans, guarantees or made investment covered under the provisions of section 186 of the Companies Act, 2013 during the year 2020-21.

11. Internal Control:

The Company has a well-established internal control system. The Company strives to maintain a dynamic system of internal controls over financial reporting to ensure reliable financial record-keeping, transparent financial reporting and disclosure and protection of physical and intellectual property.

12. Details of Holding, subsidiary and Associates:

Ndear Technologies Private Limited is an associate Company.

13. Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo:

a. Conservation of Energy: Energy conservation is very important for the company and therefore energy conservation measures are undertaken wherever practicable in its plant and attached facilities. The Company is making every effort to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment with latest technologies.

b. Technology absorption: The Company continuous to use the latest technologies for improving the productivity and quality of its services and products.

c. Foreign exchange Earnings and Outgo: During the period under review foreign exchange earnings or out flow reported as follow:

Particulars	Amount In Rs.
Out Flow:	67,777/-

Earning:	2,19,464/-
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14. Industrial Relation:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

15. Directors:

The following Changes have been made during the financial Year 2020-21 of the Company:

Sr. No.	Name of Director	Designation	Appointment	Resignation
1	Nirmal Jain	Chairman & Executive Director	12.01.2021	--
2	Yaman Saluja	Whole Time Director	12.01.2021	--
3	Ashish Jain	Managing Director	--	12.01.2021
4	Ashish Jain	Chief Executive Officer (CEO)	12.01.2021	--
5	Ashish Agarwal	Additional Independent Director	12.01.2021	--
6	Sarita Agrawal	Additional Independent Director	12.01.2021	--

16. Board Meetings:

During the year 2020-21, the Board of Directors met Twelve (12) times, viz: 01.04.2020, 01.05.2020, 05.06.2020, 08.07.2020, 26.08.2020, 23.09.2020, 15.10.2020, 30.11.2020, 05.12.2020, 12.01.2021, 22.02.2021, and 05.03.2021.

The interval between any two meetings was well within the maximum allowed gap of 120 days.

17. Director Remuneration:

Member's attention is drawn to Financial Statements wherein the disclosure of remuneration paid to Directors is given during the year 2020-21. Sitting Fees paid to Additional Independent Directors is Rs. 10,000 for the year 2020-21.

18. Directors Responsibility Statement:

On behalf of the Directors, I confirm that as required under clause (c) of sub-section (3) of section 134 of the Companies Act, 2013.

- Applicable accounting standards have been followed with explanation for any material departures;
- We have Selected accounting policies have been applied consistently to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts are prepared on a going concern basis; and
- e) We had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively. This will ensure legal compliance in all area of companies operations.

19. Related Party Transactions:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

There are no materially significant related party transactions made by the company with related parties which may have potential conflict with the interest of the company at large. Your Directors draw your attention to notes to the financial statements for detailed related parties transactions entered during the year.

Since all the related party transactions were entered by the Company in ordinary course of business and were in arm's length basis, FORM AOC- 2 is not applicable to the Company.

20. Auditors:

M/s Pankaj Kumar J & Co, Chartered Accountants, has resigned from the post of Statutory Auditor of the Company.

M/s Purshottam Khandelwal & Co., Chartered Accountants (FRN: 0123825W) has appointed as Statutory Auditor of the Company for the year ended 31st March, 2021 to fill the casual vacancy caused by the resignation of Pankaj Kumar j & Co., Chartered Accountant (FRN: 147745W) at Extra Ordinary General Meeting held on 26th March, 2021 till the conclusion of Annual General Meeting of the Company.

The Auditors' Report for the financial year ended March 31, 2021 on the financial statements of the Company is a part of this Annual Report. The Auditor's Report for the financial year ended March 31, 2021 does not contain any qualification, reservation or adverse remark.

21. Extract of Annual Return:

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the link www.naapbooks.com

22. Business Risk Management:

The Company has implemented various policies from ground level to the top level management for identifying the risk, measuring the same and takes corrective measures for managing the risk.

23. Particulars of employees:

During the year under review, there was no managerial personnel/employee whose information required to be provided under Section 197 of the Companies Act, 2013, read with Rule 5, sub-rule 2 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

24. Corporate Social Responsibility:

The provision of section 135 of Companies Act, 2013 for implementing Corporate Social Responsibility Policy, constitute committee and expenditure thereof is not applicable to the company since the company is not meeting with the criteria of net-worth, turnover or net profits mentioned therein.

25. Evaluation of Board Performance:

The Board has set up certain parameters based on which the Board internally evaluated all the directors excluding the director being evaluated, and the Chair Person by other directors. The evaluation process included assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Manner of evaluation: A framework for evaluation has been prepared and based on the framework, questionnaire has been made including different specific topics of evaluation and setting out different parameters / criteria against which the different topics as to the Board and its committees, Chairman and non-independent directors, have been evaluated, both individually and collectively, based on inputs received from directors and internal sources.

26. Other Regulatory Requirement:

The Company has been complied with all regulatory requirements of central government and state government and there were no significant and material orders passed by the Regulators or Courts or Tribunals during the year impacting the going concern status and the Company's operations in future.

27. Cost Audit Report:

As per provision of section 148(3) of Companies act, 2013 and rule 6(2) of Companies (cost record and audit) Rules, 2014, the company is not required to appoint a cost auditor to audit the cost records of the company.

28. Social Initiative:

Your Company is a socially responsible corporate citizen. In keeping with the Company's commitment towards contribution to community welfare, the Company and its employees continue to support and closely associated with Friends of environment a non-government organization and involved in numerous activities like tree plantation, cleanliness drive, creation of social awareness, dissemination of information concerning Environment and Pollution and host of other activities for the cause of environment protection at Company's various locations.

29. Secretarial Audit Report:

The provisions of Section 204 of the Companies Act, 2013 and the rules made there under are not applicable to the Company since the Company is not covered under the said provisions presently.

30. Vigil Mechanism:

The Company has formulated the Whistle blower Policy (Vigil Mechanism) dated 22nd February, 2021. The same is also available on Company's website.

31. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules there under.

32. Acknowledgement and appreciation:

The Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all employees of the Company for their hard work and commitment.

On behalf of the Board of Directors,
For Naapbooks Limited



Ashish Jain
Director & CEO

DIN: 07783857



Yaman Saluja
Whole Time Director &
CFO

DIN: 07773205

Place : Ahmedabad

Date: 16.07.2021



Independent Auditor's Report

To the Members of **Naapbooks Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Naapbooks Limited (Formerly known as Naapbooks Private Limited)**, which comprise the balance sheet as at 31st March 2021, 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 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 31st March, 2021, its profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

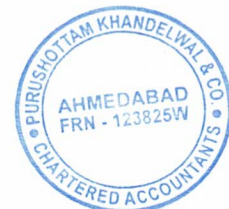
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We 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 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 opinion.

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 Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

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.

Responsibilities of Management and Those Charged with Governance for the Standalone 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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.

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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
 - g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us



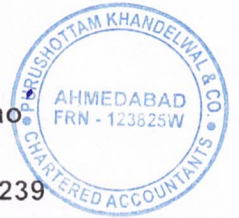
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts 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.

Place:-AHMEDABAD
Date: 16/07/2021
UDIN:21154239AAAAGN5306

For Purushottam Khandelwal & Co.
Chartered Accountants
FRN: 0123825W

M. S. Rao

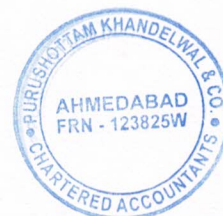
Mahendra Singh S Rao
(Partner)
Membership No. 154239



The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- i.
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the company.
- ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. The company has granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - a. The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
 - b. The schedule of repayment of principal and payment of interest has been stipulated and in such cases the borrowers have been regular in repayment of principal and interest.
 - c. There are no overdue amounts in respect of the loans granted to the parties listed in the register maintained under section 189 of the Act.



According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.

- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii.
 - a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2021 for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, there is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.
- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.
- ix. Based on our audit procedures and according to the information given by the management, the money raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purpose for which they were obtained.
- x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The company is a private limited company. Hence the provisions of clause (xi) of the order are not applicable to the company.



- xii. The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. Provisions of section 192 of Companies Act, 2013 have been complied with in case of non-cash transactions entered by the company with directors or persons connected with him
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Purushottam Khandelwal & Co.
Chartered Accountants
FRN: 0123825W

M. S. Rao



Place:-AHMEDABAD
Date: 16/07/2021
UDIN:21154239AAAAGN5306

Mahendra Singh S Rao
(Partner)
Membership 154239
No.

Report on Internal Financial Controls Over Financial Reporting

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

We have audited the internal financial controls over financial reporting of Naapbooks Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Purushottam Khandelwal & Co.
Chartered Accountants
FRN: 0123825W

M. S. Rao



Place:-AHMEDABAD
Date: 16/07/2021
UDIN:21154239AAAAGN5306

Mahendra Singh S Rao
(Partner)
Membership No. 154239

Naapbooks Limited
(Formerly Known as Naapbooks Private Limited)
THIRD FLOOR, BUSINESS BROADWAY CENTER ABOVE V-MART,
LAW GARDEN AHMEDABAD
CIN - U72900GJ2017PLC096975

BALANCE SHEET

Particulars	Note No.	As at	As at
		31st March 2021 Amount in ₹	31st March, 2020 Amount in ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
Share capital	2	1,31,74,000	1,00,000
Reserves and surplus	3	70,69,558	57,17,675
		<u>2,02,43,558</u>	<u>58,17,675</u>
(2) Non-current liabilities			
Long-term borrowings	4	10,94,233	72,88,895
		<u>10,94,233</u>	<u>72,88,895</u>
(3) Current liabilities			
Short-term borrowings	5	22,35,066	8,07,833
Trade payables			
-(A) Total outstanding dues of creditors other than micro enterprises and small enterprises	6	65,66,550	2,11,422
Other current liabilities	7	26,16,022	19,15,131
Short-term provisions	8	12,59,176	5,10,101
		<u>1,26,76,814</u>	<u>34,44,487</u>
Total		<u><u>3,40,14,604</u></u>	<u><u>1,65,51,057</u></u>
II. ASSETS			
(1) Non-current assets			
Property Plant & Equipment			
a) Tangible assets	9	52,31,583	34,47,776
b) Intangible assets	9	77,08,345	17,551
Non Current Investments	10	30,000	30,000
Deferred Tax Assets	11	1,20,816	3,60,485
Long Term Loans and Advances	12	4,64,600	4,44,600
		<u>1,35,55,344</u>	<u>43,00,412</u>
(2) Current assets			
Inventories		0	9,61,700
Trade receivables	13	1,20,35,634	67,27,285
Cash and cash equivalents	14	91,426	2,71,066
Short-term loans and advances	15	78,32,200	42,90,594
Other Current Assets	16	5,00,000	0
		<u>2,04,59,260</u>	<u>1,22,50,645</u>
Total		<u><u>3,40,14,604</u></u>	<u><u>1,65,51,057</u></u>

Contingent liabilities
Significant accounting policies
See accompanying notes to financial statements

1

As per our report of even date
For Purshottam Khandelwal & Co
Chartered Accountants

For and on behalf of the Board

U. S. Rao

CA Mahendrasingh S Rao
Partner
M. No. 154239
UDIN: 2154239

Place: Ahmedabad
Date: 16/07/2021



Ashish Jain

Ashish Jain
Director & CEO
DIN: 07783857

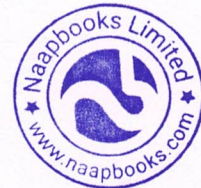
Yaman Saluja

Yaman Saluja
Director & CFO
DIN: 07773205

Niharika Shah

Niharika Shah
Company Secretary

Place: Ahmedabad
Date: 16/07/2021



Naapbooks Limited
(Formerly Known as Naapbooks Private Limited)
THIRD FLOOR, BUSINESS BROADWAY CENTER ABOVE V-MART,
LAW GARDEN AHMEDABAD
CIN - U72900GJ2017PLC096975

STATEMENT OF PROFIT AND LOSS

Particulars	Note No.	For the period ended 31st March 2021 Amount in	For the year ended 31st March, 2020 Amount in
I. Revenue from operations	17	2,71,32,705	2,25,11,922
II. Other income	18	12,041	21,285
III. Total Revenue		2,71,44,747	2,25,33,207
IV. Expenses			
Development expenses	19	72,27,225	16,84,100
Employee benefits expenses	20	77,68,930	87,42,049
Finance costs	21	6,72,796	11,44,226
Depreciation and Amortisation expenses	22	18,77,818	20,64,341
Other expenses	23	30,59,309	45,15,484
Total expenses		2,06,06,078	1,81,50,200
V. Profit before exceptional and extraordinary items and tax - (III- IV)		65,38,668	43,83,008
VI. Exceptional items		0	0
VII. Profit before extraordinary items and tax (V - VI)		65,38,668	43,83,008
VIII. Extraordinary items		0	0
IV. Profit before tax		65,38,668	43,83,008
V. Tax expense:			
Current tax		15,94,317	13,21,810
Tax for Earlier Years		0	0
Deferred tax		2,39,669	-1,78,643
VI. Profit for the year		47,04,682	32,39,841
VII. Earnings per equity share:			
Basic and diluted	24	3.93	323.98
Adjusted EPS	24	3.93	5.79
Significant accounting policies	1		
See accompanying notes to financial statements			

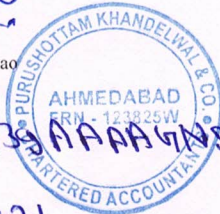
As per our report of even date
For Purshottam Khandelwal & Co
Chartered Accountants

For and on behalf of the Board

U. S. Rao

CA Mahendrasingh S Rao
Partner
M. No. 154239
UDIN: 2154239

Place: Ahmedabad
Date: 16/07/2021



Ashish Jain

Ashish Jain
Director & CEO
DIN: 07783857

Yaman Saluja

Yaman Saluja
Director & CFO
DIN: 07773205

Niharika Shah

Niharika Shah
Company Secretary

Place: Ahmedabad

Date: 16/07/2021



Naapbooks Limited
(Formerly Known as Naapbooks Private Limited)
THIRD FLOOR, BUSINESS BROADWAY CENTER ABOVE V-MART,
LAW GARDEN AHMEDABAD
CIN - U72900GJ2017PLC096975

CASH FLOW STATEMENT

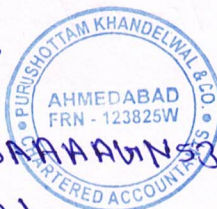
PARTICULARS	Year ended 31st March 2021 Amount in `	Year ended 31st March 2020 Amount in `
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	65,38,668	43,83,008
Add:		
(a) Depreciation	18,77,818	20,64,341
(b) Financial & Interest Expenses	6,72,796	11,44,226
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	90,89,282	75,91,575
Add/Deduct:		
(a) Increase/Decrease in Short Term Provisions	-	(40,000)
(b) Increase/Decrease in Trade Payables	63,55,128	(75,22,911)
(c) Increase/Decrease in Other Current Liabilities	7,00,891	4,04,448
(d) Increase/Decrease in Inventories	9,61,700	10,04,100
(e) Increase/Decrease in Trade Receivables	(53,08,349)	39,29,160
(f) Increase/Decrease in Short Term Loans & Advances	(35,41,606)	(14,90,323)
(g) Increase/Decrease in Short Term Borrowing	14,27,233	(19,04,199)
(h) Increase/Decrease in Other Current Assets	(5,00,000)	-
Total Working Capital Adjustment	94,998	(56,19,726)
CASH GENERATED FROM OPERATIONS	91,84,280	19,71,849
Deduct:		
Direct Taxes Paid (Net)	8,45,242	6,97,421
NET CASH FROM OPERATING ACTIVITIES	83,39,038	12,74,428
B CASH FLOW FROM INVESTING ACTIVITIES:		
(a) Purchase of Fixed Assets & CWIP	(1,13,52,420)	(11,61,507)
(b) Change in Long Term Investments	-	-
(c) Change in Long Loans and Advances	(20,000)	(4,44,600)
NET CASH USED IN INVESTING ACTIVITIES	(1,13,72,420)	(16,06,107)
C CASH FLOW FROM FINANCING ACTIVITIES:		
(a) Share Issue Proceeds	24,99,200	-
(b) Net Increase in Borrowings (Net of Loan Converted to Equity)	10,27,338	12,66,648
(c) Interest exps	(6,72,796)	(11,44,226)
NET CASH USED IN FINANCING ACTIVITIES	28,53,742	1,22,422
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,79,640)	(2,09,257)
OPENING BALANCE- CASH AND CASH EQUIVALENT	2,71,066	4,80,323
CLOSING BALANCE- CASH AND CASH EQUIVALENT	91,426	2,71,066

*Previous year's figures have been regrouped/reclassified wherever applicable.

As per our report of even date
For Purshottam Khandelwal & Co
Chartered Accountants

M. S. Rao
CA Mahendrasingh S Rao
Partner

M. No. 154239
UDIN: 2154239AAABIN5306
Place: Ahmedabad
Date: 16/07/2021



For and on behalf of the Board

Ashish Jain
Ashish Jain
Director & CEO
DIN: 07783857

Raman Saluja
Raman Saluja
Director & CFO
DIN: 07773205

Niharika Shah
Niharika Shah
Company Secretary

Place: Ahmedabad
Date: 16/07/2021



CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES

NOTE 1

Background: -

The Company was incorporated as "Naapbooks Private Limited" under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated April 21, 2017 bearing Registration No. 096975 issued by the Registrar of Companies, Ahmedabad, Gujarat. It was converted into a Public Limited Company and the name of our Company was changed to "Naapbooks Limited" vide a fresh certificate of incorporation consequent to conversion into a public limited company issued by the Registrar of Companies, Gujarat on January 7, 2021.

Company is engaged in the business of providing solutions and services related to Web Technologies, Mobile Applications, Internet, Cloud and E-commerce, including design, develop, operate, own, establish and install. Also, analyzing, designing, maintaining, converting, porting, debugging; coding, outsourcing and programming 'software' to be used on computer or any microprocessor-based device or any other such hardware within or outside India.

Significant Accounting Policies

a) Basis of preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules there under and other accounting principles generally accepted in India. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

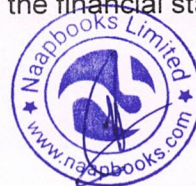
b) Revenue recognition:

- i) 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.
- ii) Revenue from maintenance contracts are recognised pro rata over the period of the contract as and when services are rendered.
- iii) All other income and expenditure are recognised and accounted for on accrual basis.

c) Use of estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and

57



the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

d) Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

f) Inventories

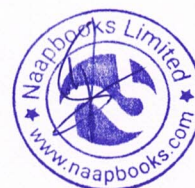
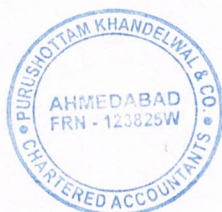
Inventories are valued at lower of cost and net realizable value, including necessary provision for obsolescence. Cost is determined using the weighted average method.

Work in Progress are valued at cost including related overhead costs.

g) Tangible Fixed Assets:

- i. An item is classified as Tangible fixed asset only if it satisfies the recognition criteria stated in AS 10 (i.e.) is probable that future economic benefits will flow to the company and the cost of such item could be measured. Stores and Spares fulfilling the above conditions are also classified as fixed assets. Fixed assets are initially recognized at its purchase price including all costs directly attributable to bring the asset in a ready to use condition. All subsequent cost incurred such as day to day running expenses, repair and maintenance expenses are treated as revenue expenses except when such expenditure satisfied the recognition criteria stated above. Cost Model is followed after initial recognition i.e. Fixed Assets are carried at cost less accumulated depreciation/amortization/impairment.
- ii. **Depreciation:** Fixed assets are depreciated using the Written Down Value method. Useful lives of assets necessary for calculation of depreciation rates are taken as specified in Schedule II of Companies Act, 2013.
- iii. Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.
- iv. Capital Work-in-Progress: Projects under which tangible fixed assets are not yet ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing costs.

51



h) Intangible Assets/Intangible Asset under Development:

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

Software Products Developed/Purchased which are held for use in the production or supply of goods and services, for rental to others or for administrative purposes have been recognized as Intangible Assets.

Research Costs are expensed as incurred. Software product development cost are expensed as incurred unless technical and commercial feasibility of the product is demonstrated, future economic benefits are probable, the company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of materials, directs labour, and overhead cost that are directly or indirectly attributable to preparing the asset for intended use.

Intangible assets are amortized on written down value method over their estimated useful life or 5 years, whichever is lower. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

Intangible Asset under Development: - All Software Development Expenses eligible for capitalization are recognized as "Intangible Assets under Development" until the Software Product is ready for market.

i) Impairment of assets:

The carrying value of assets/cash generating units at each balance sheet date is reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

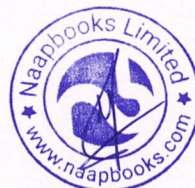
The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

j) Investments:

Investments are classified into current and long-term investments. Current investments are stated at lower of cost and fair value. Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments.

57



k) Employee benefits:

Wages, salaries, paid annual leave, sick leave and bonuses are accrued in the year in which the services are rendered by the employees. The company does not permit accumulating of unused leaves. The company does not provide any long-term employee benefits except gratuity.

The company is not having any defined contribution plan and nor has made any provision for payment of Gratuity

l) Borrowing cost:

Borrowing cost attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

m) Taxation:

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the reserves directly. In such cases, the tax is also recognized in the reserves.

- Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

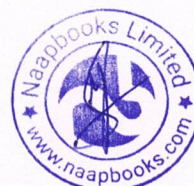
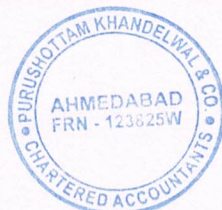
- Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

n) Provisions, contingent liabilities and contingent assets:

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements and are disclosed in the Notes. A Contingent asset is neither recognized nor disclosed in the financial statements.

57



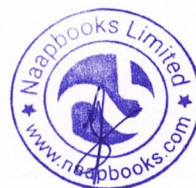
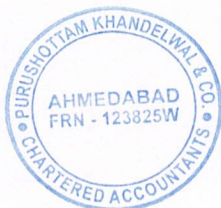
o) Earnings Per Share

Basic earnings per share is computed by dividing the profit/loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/loss after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

p) General:

"Accounting policies not specifically referred to above are consistent with generally accepted accounting principles.

57



Naapbooks Limited

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31-Mar-21 ₹	As at 31-Mar-20 ₹
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**NOTE 2
SHARE CAPITAL**

a Authorised		
20,00,000 Equity Shares of Rs. 10 each	2,00,00,000	10,00,000
(Previous year : 100000)		
b Issued, subscribed and paid-up		
13,17,400 Equity Shares of Rs. 10 each fully paid-up	1,31,74,000	1,00,000
(P.Y: 10,000 Equity Shares of Rs. 10/- each fully paid up)		
Total share capital	1,31,74,000	1,00,000

c The reconciliation of the number of shares and share capital

Particulars	As at 31-03-2021		As at 31-03-2020	
	No. of shares	Amount	No. of shares	Amount
Equity Shares at the beginning of the year	10,000	1,00,000	10,000	1,00,000
Add: Shares issued	13,07,400	1,30,74,000	0	0
Equity Shares at the end of the year	13,17,400	1,31,74,000	10,000	1,00,000

d Terms/ rights attached to Equity Shares

The Company has only one class of Equity Shares having par value of ₹ 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 Equity Shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

e Shareholders holding more than 5 per cent of Equity Shares as at the end of the year

Name of the Shareholder	As at 31-03-2021		As at 31-03-2020	
	No. of shares	% of holding	No. of shares	% of holding
Ashish Jain	4,00,128	30.37%	4,490	44.90%
Nirmal Kumar Jain	2,00,768	15.24%	5,000	50.00%
Yaman Saluja	2,37,600	18.04%	500	5.00%
Abhishek Nirmal Jain	2,42,960	18.44%	10	0.10%
Swati Singh	88,480	6.72%	0	0.00%
	11,69,936	88.81%	10,000	100.00%

Company in its meeting of shareholders through Extra Ordinary General Meeting dated May 25, 2020 resolved in pursuance of the provisions of Section 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the consent of the shareholders was accorded to increase the

f Authorized Share Capital of the Company from existing ₹ 10,00,000 (Rupees Ten Lakhs) divided into 1,00,000 (One Lakh) Equity Shares of ₹ 10/- each to ₹ 2,00,00,000 (Rupees Two Crore) divided into 20,00,000 (Twenty Lakhs) Equity Shares of ₹ 10/- each by creation of additional 19,00,000 (Nineteen Lakh Fifty Thousand) Equity Shares of ₹ 10/- each ranking pari passu in all respect with the existing Equity Shares of the Company.

g 5,50,000/- Fully paid up Equity shares were issued as Bonus Shares during the period by capitalization of Surplus in Profit and Loss

Company in its meeting of shareholders through Extra Ordinary General Meeting dated May 25, 2020 resolved in pursuance of the provisions of Section 42, 62(c) and other provisions, applicable, if any, of the Companies Act, 2013 read with Companies (Prospectus and allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 including any statutory enactment, modification etc. thereto, the consent of the members of the Company was accorded for an allotment of 7,22,200 (Seven Lakhs Twenty Two Thousand Two Hundred) Equity Shares of ₹ 10 (Rupees Ten) each of the Company at par by converting Loan taken into Equity Shares by issue of New Equity Shares, distinctively numbered, to Ashish Jain

h from whom the Company has received loan money aggregating to ₹ 26,92,000/- (Rupees Twenty Six Lakhs Ninety Two Thousand), to Nirmal Kumar Jain from whom the Company has received Loan money aggregating to ₹ 15,86,000/- (Rupees Fifteen Lakhs Eighty Six Thousand), to Yaman Saluja from whom the Company has received Loan money aggregating to ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand), to Abhishek Nirmal Jain from whom the Company has received Loan money aggregating to ₹ 24,24,000/- (Rupees Twenty Four Lakhs Twenty Four Thousand) and to Kusum Kothari from whom the Company has received Loan money aggregating to ₹ 3,70,000/- (Rupees Three Lakhs Seventy Thousand) in a measure to reduce its debt. The said Equity Shares shall rank pari-passu with existing Equity Shares in all respects.

i During the year the company has allotted 35,200 shares of Rs. 10/- each at a price of Rs. 71/- on a preferential basis

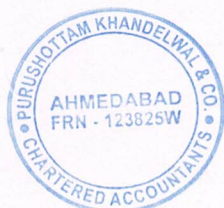


Naapbooks Limited

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31-Mar-21 ₹	As at 31-Mar-20 ₹
NOTE 3		
RESERVES AND SURPLUS		
a Securities Premium	21,47,200	0
b Statement of Profit and Loss - surplus/ deficit:		
Opening Balance	57,17,675	24,77,834
Add: Profit for the year	47,04,682	32,39,841
Less: Bonus Issue	-55,00,000	0
Closing balance	49,22,358	57,17,675
	70,69,558	57,17,675
NOTE 4		
LONG-TERM LIABILITIES		
Secured Loans From Banks		
Yes Bank Car Loan	54,679	2,09,270
Less: Amount Repayable in the next 12 months	54,679	1,54,591
	0	54,679
Unsecured Loans from related parties		
	10,94,233	72,34,216
	10,94,233	72,88,895
Secured Loan: - Car Loan had been taken whose tenure is 37 months. Loan is secured by charge on the Vehicle Maruti Celerio. Equated monthly EMI amounts to Rs. 13,914/-		
Unsecured Loan: - Loans from related parties are not repayable on demand. During the year 7,22,200/- (Seven Lakhs Twenty Two Thousand Two Hundred) Equity Shares of ₹ 10 (Rupees Ten) each were issued at par by converting unsecured loan of Rs. 72,22,000/- Refer Note 2 for details.		
NOTE 5		
SHORT-TERM BORROWINGS		
Bank OD	22,35,066	8,07,833
	22,35,066	8,07,833
Short Term Borrowing i.e OD from Yes Bank is secured by exclusive charge over the current assets including Trade Receivables, Inventories of the company (Both present and future)		
NOTE 6		
TRADE PAYABLES		
Total outstanding dues of creditors other than micro enterprises and small enterprises	65,66,550	2,11,422
	65,66,550	2,11,422
NOTE 7		
OTHER CURRENT LIABILITIES		
Statutory dues	11,73,891	11,18,055
Advances From Debtors	4,24,201	1,58,500
Salary Payable	9,63,251	4,83,985
Current Maturity of Long Term Borrowings	54,679	1,54,591
	26,16,022	19,15,131
NOTE 8		
SHORT-TERM PROVISIONS		
Provision for current income tax (net)	12,59,176	5,10,101
	12,59,176	5,10,101

57



Naapbooks Limited

NOTE 9
FIXED ASSETS

₹

Description	Rate %	Gross Block at Cost				Depreciation			Net Block		
		As at 01-Apr-20	Additions	Disposals/Transfers	As at 31-Mar-21	As at 01-Apr-20	Additions	Disposals	As at 31-Mar-21	As at 01-Apr-20	
Tangible assets											
Furniture and Fixtures	25.89	20,65,401	25,500	35,192	20,55,709	7,76,719	0	2,98,755	10,75,474	9,80,235	12,88,682
Office Equipments	45.07	9,23,191	17,796	13,215	9,27,772	6,56,025	0	1,12,843	7,68,868	1,58,904	2,67,166
Electrical Fittings	25.89	1,49,798	0	2,407	1,47,391	61,658	0	20,412	82,070	65,321	88,140
Computers	63.16	40,48,276	13,390	99,152	39,62,514	25,59,961	0	8,42,559	34,02,520	5,59,994	14,88,315
Computers Server	39.30	0	36,10,160	1,633	36,08,527	0	0	3,59,868	3,59,868	32,48,659	0
Veichles	31.23	5,58,555	0	9,454	5,49,101	2,71,555	0	80,176	3,51,731	1,97,370	2,87,000
Veichles	25.89	48,327	0	778	47,549	19,854	0	6,594	26,448	21,101	28,473
Total (A)		77,93,547	36,66,846	1,61,831	1,12,98,562	43,45,772	0	17,21,207	60,66,979	52,31,583	34,47,776
Intangible assets											
Computer software	63.16	90,000	0	1,169	88,831	72,449	0	9,916	82,365	6,466	17,551
VizMan Application	45.07	0	78,48,574	0	78,48,574	0	0	1,46,695	1,46,695	77,01,879	0
Total (B)		90,000	78,48,574	1,169	79,37,405	72,449	0	1,56,611	2,29,060	77,08,345	17,551
Total (A+B)		78,83,547	1,15,15,420	1,63,000	1,92,35,967	44,18,221	0	18,77,818	62,96,039	1,29,39,928	34,65,327

Note: Depreciation has been calculated on written down value basis at the rates specified and in accordance with the provisions of the Companies Act, 2013



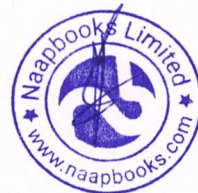
5

Naapbooks Limited

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31-Mar-21 ₹	As at 31-Mar-20 ₹
NOTE 10		
NON-CURRENT INVESTMENTS		
(Long Term Investments)		
(Unquoted, at cost)		
Investment in Ndear Technologies Private Limited	30,000	30,000
	<u>30,000</u>	<u>30,000</u>
NOTE 11		
DEFERRED TAX ASSETS		
Opening Balance	3,60,485	1,81,842
Add: During the year	-2,39,669	1,78,643
Closing Balance	<u>1,20,816</u>	<u>3,60,485</u>
NOTE 12		
LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security deposits	4,64,600	4,44,600
	<u>4,64,600</u>	<u>4,44,600</u>
NOTE 13		
TRADE RECEIVABLES		
(Unsecured, considered good)		
Outstanding for more than six months	6,22,687	11,11,035
From Related Parties	0	0
From Others	6,22,687	
Outstanding for less than Six Months	1,14,12,947	56,16,250
From Related Parties	61,528	11,17,238
From Others	1,13,51,419	44,99,012
	<u>1,20,35,634</u>	<u>67,27,285</u>
NOTE 14		
CASH AND CASH EQUIVALENTS		
Balances with banks	597	90,072
Cash on hand	90,830	1,80,994
	<u>91,426</u>	<u>2,71,066</u>
NOTE 15		
SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances to Suppliers	62,08,000	5,76,879
Advance Receivable In Cash or Kind	16,24,200	37,13,715
	<u>78,32,200</u>	<u>42,90,594</u>
NOTE 16		
OTHER NON CURRENT ASSETS		
Prepaid Expenses	5,00,000	0
	<u>5,00,000</u>	<u>0</u>

51



Naapbooks Limited

NOTES TO FINANCIAL STATEMENTS

Particulars	₹	As at 31-Mar-21 ₹	As at 31-Mar-20 ₹
NOTE 17			
REVENUE FROM OPERATIONS			
Sale of services		2,71,32,705	2,25,11,922
		<u>2,71,32,705</u>	<u>2,25,11,922</u>
NOTE 18			
OTHER INCOME			
Misc Income		1,222	5,466
Interest income		10,819	15,819
		<u>12,041</u>	<u>21,285</u>
NOTE 19			
OPERATIONAL AND MAINTENANCE EXPENSES			
Development Charges		62,65,525	6,80,000
Add: Opening Work In Progress as at the beginning of the year		9,61,700	19,65,800
Less: Closing Work In Progress as at the end of the year		0	9,61,700
		<u>72,27,225</u>	<u>16,84,100</u>
NOTE 20			
EMPLOYEE BENEFITS EXPENSES			
Salaries and wages		62,48,470	64,22,450
Bonus Expenses		0	18,000
Director Remuneration		12,61,400	21,00,000
Director Sitting Fees		10,000	0
Employers Contribution to PF		2,25,745	1,88,786
ESIC Contribution		20,585	0
Professional Tax Expenses		447	2,108
Staff Welfare Expenses		2,283	10,705
		<u>77,68,930</u>	<u>87,42,049</u>
NOTE 21			
FINANCE COST			
Bank charges		47,952	79,503
Bank Interest		2,96,115	3,01,207
Interest on Car Loan		10,897	25,453
Interest on Income Tax Expense		1,48,609	0
Interest on Unsecured loans		1,69,224	7,38,063
		<u>6,72,796</u>	<u>11,44,226</u>
NOTE 22			
FINANCE COST			
Depreciation		17,21,207	20,64,341
Amortization of Intangible Assets		1,56,611	0
		<u>18,77,818</u>	<u>20,64,341</u>

5



Naapbooks Limited

NOTES TO FINANCIAL STATEMENTS

Particulars	₹	As at	As at
		31-Mar-21	31-Mar-20
		₹	₹
NOTE 23			
OTHER EXPENSES			
Advertisement & Publicity		2,555	35,918
Auditors' Remuneration		50,000	20,000
Books & Periodicals		0	8,970
Cloud Charges		10,195	30,224
Conveyance Expenses		0	1,77,000
Electricity Expense		2,62,369	4,48,260
Foreign Currency Fluctuation		4,514	3,555
Insurance Expenses		44,892	14,275
Internet Expense		89,334	73,037
Late Payment Interest and Fees		10,372	2,105
MCA Charges		3,12,086	0
Misc Charges		793	5,359
Office Expenses		17,100	1,76,556
Office Maintenance & Taxes		2,08,920	3,92,212
Postage and Courier		2,258	805
Printing & Stationary		5,897	6,664
Legal and Professional Expenses		81,667	11,000
Refreshment Expenses		20,897	76,379
Rent		18,14,375	24,97,676
Repair and Maintenance		30,785	87,945
Software Expenses		34,399	18,597
Telephone Exp.		20,902	56,859
Traveling Exp.		35,001	3,72,087
		30,59,309	45,15,484
Break-Up of Auditors Remunerations:			
Statutory Audit fee		30,000	10,000
Tax audit fee		10,000	5,000
GST Audit fee		10,000	5,000
		50,000	20,000

NOTE 24

EARNING PER SHARE

Net profit / (loss) after tax attributable to equity shares	47,04,682	32,39,841
Number of weighted equity shares	11,95,729	10,000
Adjusted Number of weighted equity	11,95,729	5,60,000
Nominal value of shares	10.00	10
Basic and diluted earning per share in rupees	3.93	323.98
Adjusted EPS (Basic and Diluted)	3.93	5.79



Naapbooks Limited

NOTES TO FINANCIAL STATEMENTS

NOTE 25

RELATED PARTY DISCLOSURES

- 1 As per Accounting Standard 18, under the Companies (Accounting Standard) Rules, 2006, the disclosure of transactions with the related parties as defined in the Accounting Standard and identified by the company are given below:

Sr.no.	Particulars	Nature	Relationship	Amount
1	Proex Advisors LLP	Rendering of Services	Directors Firm	46,64,390
2	Proex Advisors LLP	Receiving Services	Directors Firm	1,70,000
3	Abhishek Jain	Interest Paid	Director	46,500
4	Nirmal Jain	Interest Paid	Director	27,067
5	Nirmal Jain	Remuneration	Director	2,70,000
6	Yaman Saluja	Remuneration	Director	5,40,000
7	Yaman Saluja	Interest Paid	Director	8,334
8	Ashish Jain	Remuneration	Director	8,40,000
9	Ashish Jain	Interest Paid	Director	87,323
10	Ruchita Jain	Salary	Director's Spouse	3,20,000

NOTE 26

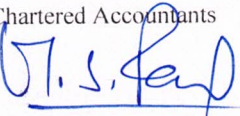
OTHER MATTERS:

- 1 Naapbooks Private Limited is Engaged in the Work of Information Service Providing as well as in Information Service solution.

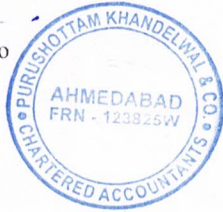
- 2 Payment to Auditors:

	2020-21 ₹	2019-20 ₹
a. Audit fee	30,000	10,000
b. For Tax Audit	20,000	5,000
b. For GST Audit	0	5,000
	50,000	20,000

As per our report of even date
For Purshottam Khandelwal & Co
Chartered Accountants

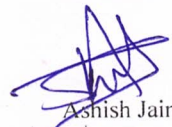


CA Mahendrasingh S Rao
Partner
M. No. 154239



Place: Ahmedabad
Date: 16/07/2021

For and on behalf of the Board



Ashish Jain
Director & CEO
DIN: 07783857



Yaman Saluja
Director & CFO
DIN: 07773205



Niharika Shah
Company Secretary

Place: Ahmedabad
Date: 16/07/2021

