

LAHANTI LASTMILE SERVICES PRIVATE LIMITED

Balance Sheet as at 31st March 2023

(CIN:- U93000KL2016PTC045496)

(All amounts are in thousands of Indian Rupees unless otherwise stated)

Sl.No.	Particulars	Note	31.03.2023	31.03.2022
I.	Equity and Liabilities			
	(1) Shareholders' funds			
	(a) Share capital	2	96,000.00	66,000.00
	(b) Reserves and surplus	3	80,805.80	50,591.72
	(2) Non-current liabilities			
	(a) Deferred Tax Liabilities (Net)	4	-	-
	(3) Current liabilities			
	(a) Short Term Borrowings	5	10,004.92	-
	(b) Trade Payables	6	1,141.01	1,335.16
	(c) Other Current Liabilities	7	27,730.58	29,665.00
	(d) Short Term Provisions	8	21,298.60	22,815.74
	Total		236,980.91	170,407.62
II.	Assets			
	(1) Non-current assets			
	(a) Property, Plant and Equipment	9		
	(i) Property, Plant and Equipment		7,931.24	7,028.21
	(ii) Intangible Assets		41.63	3.85
	(b) Deferred tax assets (net)	4	988.96	618.90
	(c) Other Non-Current Assets	10	149,005.29	99,265.47
	(2) Current assets			
	(a) Trade Receivables	11	19,382.69	13,595.83
	(b) Cash and Cash Equivalents	12	19,673.63	22,229.01
	(c) Short-Term Loans and Advances	13	29,745.83	19,660.86
	(d) Other Current Assets	14	10,211.65	8,005.48
	Total		236,980.91	170,407.62

Company Overview

1

Significant Accounting Policies

1

The Accompanying notes form an integral part of the financial statements

2-29

As per our report of even date

For Mohandas & Associates

Firm registration number: 02116S

Chartered Accountants

G Anoop

Partner

Membership No.: 209804

Place: Thrissur

Date: 20/04/2023

UDIN:23209804BGULWG3558

For and on behalf of the board of directors of

Lahanti Lastmile Services Private Limited

N. G. N. G.
Jeyaseelan Natarajan

(Director)

(DIN:02281278)

K R Mohanachandran
K R Mohanachandran

(Managing Director & CEO)

(DIN: 09425773)



LAHANTI LASTMILE SERVICES PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31st March 2023
(CIN:- U93000KL2016PTC045496)

(All amounts are in thousands of Indian Rupees unless otherwise stated)

Sl.No.	Particulars	Note	31.03.2023	31.03.2022
	Revenue			
I.	Revenue from operations	15	350,964.06	252,836.52
II.	Other income	16	9,325.63	4,148.51
III.	Total Income (I + II)		360,289.69	256,985.03
IV.	Expenses:			
i)	Employee benefits expense	17	248,631.55	193,609.57
ii)	Finance Cost	18	2.53	-
iii)	Depreciation and amortisation expense	9	4,176.54	2,800.25
iv)	Other Administrative Expenses	19	61,761.29	42,944.46
	Total expenses		314,571.92	239,354.28
V.	Profit before Exceptional, Prior Period and Extraordinary Items and Tax (III - IV)		45,717.78	17,630.75
VI.	Prior Period Item		558.44	-
VII.	Profit before extraordinary items and tax (V - VI)		-	-
VIII.	Extraordinary items		-	-
IX.	Profit before tax		45,159.34	17,630.75
X.	Tax expenses		10,677.17	5,161.16
(1)	Current tax		8,039.06	5,275.71
(2)	Short/(Excess) provision of earlier years (net)		3,008.18	-
(3)	Deferred tax		(370.07)	(114.55)
XI.	Profit (Loss) for the period (VII-VIII)		34,482.17	12,469.59
XVI.	Earnings per share (Nominal value of Rs 10 each)			
(1)	Basic (Rs.)		11.12	4.02
(2)	Diluted (Rs.)		3.75	2.84

Significant Accounting Policies

1

The Accompanying notes form an integral part of the financial statements

2:29

As per our report of even date
For Mohandas & Associates
 Firm registration number: 02116S
 Chartered Accountants

For and on behalf of the board of directors of
Lahanti Lastmile Services Private Limited

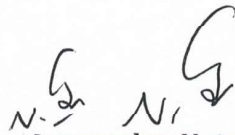
G Anoop
 Partner

Membership no.: 209804

Place: Thrissur

Date: 20/04/2023

UDIN:23209804BGULWG3558


Jeyaseelan Natarajan
 (Director)
 (DIN:02281278)


K R Mohanachandran
 (Managing Director & CEO)
 (DIN: 09425773)



LAHANTI LASTMILE SERVICES PRIVATE LIMITED
Cash Flow statement for the year ended 31st March 2023

(All amounts are in thousands of Indian Rupees unless otherwise stated)

Particulars	31.03.2023	31.03.2022
A. Cash flow from operating activities		
Net Profit before extraordinary items and tax	45,159.34	17,630.75
Adjustments for:		
Adjustments for Provisions	(7,276.26)	(727.81)
Profit on sale of Assets	(11.15)	
Depreciation and amortisation	4,734.98	2,800.25
Operating profit before working capital changes	42,606.91	19,703.19
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Increase in Trade receivables	(5,786.86)	(6,102.72)
Increase in other current assets	(2,206.17)	(2,910.09)
Increase in Short term advances	(10,084.97)	-
Adjustments for increase / (decrease) in operating liabilities:		
Other Current liabilities	(1,934.42)	(1,705.74)
Trade Payables	(194.15)	(3,128.66)
Short-term provisions	(9,556.20)	(1,365.53)
	(29,762.77)	(15,212.73)
Cash generated from operations	12,844.14	4,490.46
Net income tax (paid) / refunds		
Net cash flow used in operating activities (A)	12,844.14	4,490.46
B. Cash flow from investing activities		
Non-current Investments	(49,739.81)	(48,790.43)
Purchase of fixed assets	(5,684.56)	(5,157.05)
Sale proceeds of assets	19.93	-
Net cash flow from investing activities (B)	(55,404.45)	(53,947)
C. Cash flow from financing activities		
Loan from bank OD	10,004.92	-
Loan from directors	-	-
Issue of Share Capital	30,000.00	35,000.00
	40,004.92	35,000.00
Net cash flow from financing activities (C)	40,004.92	35,000.00
Net Increase in Cash and cash equivalents (A+B+C)	(2,555.39)	(14,457.02)



Cash and cash equivalents at the beginning of the year		22,229.01		36,686.03
Cash and cash equivalents at the end of the year		19,673.63		22,229.01
Cash and cash equivalents as per Balance Sheet (Refer Note 12) *		19,673.63		22,229.01
* Comprises:				
(a) Cash on hand		-		-
(b) Balances with banks		19,673.63		22,229.01
		19,673.63		22,229.01

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial

For and on behalf of the Board of Directors

As per our report of even date

M/S. Lahanti Lastmile Services Private Limited

For Mohandas & Associates

Firm registration number: 02116S

Chartered Accountants

G Anoop

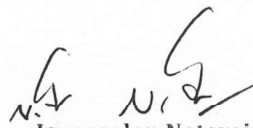
Partner

Membership No.: 209804

Place: Thrissur

Date: 20/04/2023

UDIN:23209804BGULWG3558


Jeyaseelan Natarajan
(Director)
(DIN:02281278)


KR Mohanachandran
(Managing Director & CEO)
(DIN: 09425773)



M/s. LAHANTI LASTMILE SERVICES PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

Note 1

1(A) COMPANY OVERVIEW

M/s. Lahanti Lastmile Services Private Limited ("the Company") was incorporated on 13th April 2016 vide Registration No. U93000KL2016PTC045496. The Registered office of the company is located at Building No. TC/10/800/5 Kuzhikkalayil Ebenezer Shopping Complex, Mannuthy, Thrissur, 680651.

The principal activities of the Company are to carry on business of providing Business correspondent and consultancy services in all fields, including the business of legal, industrial, business management, finance, banking, recruitment, personnel management, inventory control, import and export and other technical or non-technical consultants and to offer storage services. The company is currently acting as Business Correspondent for Banks and NBFCs.

B) SIGNIFICANT ACCOUNTING POLICIES

a) ACCOUNTING CONVENTION

The financial statements have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply in all material aspects with the Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended), other pronouncements of the ICAI, the relevant provisions of the Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the operating cycle criteria set out in the Schedule III to the Companies Act 2013. Previous year figures have been regrouped and/or reclassified in accordance with current year requirements.

b) 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 financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c) SIGNIFICANT ACCOUNTING POLICIES

➤ Cash Flow Statement [AS-3]

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and 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.

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.

➤ Property, Plant and Equipment [AS-10]

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent expenditure on fixed assets after their purchase/ completion is capitalised, only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Property, Plant and Equipment



retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately. The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation is provided using written down value method and as per the 'useful life' concept as prescribed in the Part C of Schedule II of the Companies Act 2013. Depreciation on additions to property, plant and equipment are provided on a pro-rata basis from the month of addition.

Useful life of assets as per Schedule II of Companies Act 2013:

Asset Classification	Useful Life(in years)
Computer	3
Electrical Fittings	3
Furniture and fittings	10
Office equipment	5

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized using written down value method over the estimated useful economic life of 3 years or License Period, whichever is lower.

The estimated useful life of the assets and the amortization and depreciation period are reviewed at the end of each financial year and the method for amortization and depreciation is revised to reflect the changed pattern..

➤ **Revenue Recognition [AS-9]**

Revenue is recognized to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

The company's main revenues are a facilitation charge from business correspondent services is recognized as and when they accrue. Bank deposit interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

➤ **Investment [AS-13]**

Investments are classified as long term investments and current investments. Current investments are stated at lower of cost and fair value as per AS-13 Issued by The Institute of Chartered Accountants of India. Long term investments are usually carried at cost and provision for diminution is made to recognise a decline (other than temporary) separately for each individual long-term investments. Investments are classified as current if it is by nature readily realisable and is intended to be held for not more than one year from the date on which such investment is made. Any investment other than a current investment is a long-term investment.

The investments made by the company are valued at cost;



The company holds Non-Current investments in Equity shares of ESAF.

No of Shares	Purchase Cost of Shares	Total Value 31.03.2023 (Rs in '000s)
1,49,738	40.07	6,000.00

➤ **Employee Benefits [AS-15]**

Short term employee benefits are recognized as an expense in the statement of profit and loss, on accrual basis

Gratuity :-

Gratuity liability under the Payment of Gratuity Act which is a defined benefit scheme is accrued and provided for on the basis of an actuarial valuation made at the end of each financial year.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service or part thereof in excess of six months. On the Basis of the actuarial valuation, the company has made a provision for gratuity of Rs.75.47 Lakhs during the current financial year.

Particulars	March 31,2023 (Rs in '000s)	March 31,2022 (Rs in '000s)
Present Value of DBO at start of the year	8400.00	4894.00
Current Service cost	2140.00	2552.00
Interest Cost	378.00	220.00
Past Service cost	(366.00)	-
Benefits paid	(58.00)	(166.00)
Actuarial Loss/(Gain)	(2947.00)	840.00
Present Value of DBO at end of the year	7547.00	8340.00

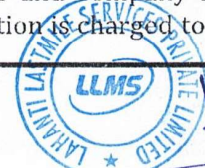
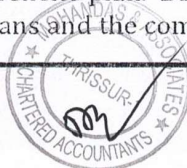
Actuarial Assumptions:

Mortality Rate	IALM 2012-14 (Ult.)
Withdrawal Rate	35% p.a.
Discount Rate	7.1% p.a.
Salary Escalation	7.0% p.a.
Weighted average duration of the obligation	2 years

As per AS 15, the company is required to create a Gratuity Trust for payment of gratuity to the employees. However, the company was not able to form gratuity trust during the year. Currently company is in process of creation of trust which is expected to be formed in the financial year 2023-2024.

Provident Fund and Employee State Insurance:-

Eligible employees of the company receive benefit from a provident fund and Employee State Insurance, which is a defined benefit plan. Both the employee and company make monthly contribution to the respective plans and the company's contribution is charged to the statement



of profit and loss. The company recognizes contribution payable to the Provident Fund and Employee State Insurance Scheme as expenditure when an employee renders the related service. If the contribution payable towards the schemes as on the date of the Financial Statement exceeds the amount actually paid towards the scheme, the deficit amount is recognized as a short term liability.

➤ **Borrowing cost [AS-16]**

Borrowing Costs are interest and other costs incurred by an enterprise in connection with the borrowing of funds. Borrowings costs which are directly attributable to the acquisition, construction or production of qualifying asset, are eligible for capitalization. No amounts have been capitalised as borrowing cost during the FY 2022-23. Other borrowing costs are recognized as expense in the period in which they are incurred.

➤ **Segment reporting [AS-17]**

The company's primary segment is identified as a business segment as the risks and returns of the enterprise are affected predominantly by differences in the products or services it produces or renders as prescribed by AS 17 Segment Reporting. The company operates in only one business segment viz. Business Correspondent and related services.

The company's secondary segment is identified as a geographical segment. Since the business operations of the company are primarily concentrated in India, the company is considered to operate only in the domestic segment.

➤ **Lease [AS-19]**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating lease. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight-line basis over the lease term in accordance with AS 19 - Leases.

➤ **Earnings Per Share [AS-20]**

Basic Earnings per share is calculated by dividing the net profit / loss attributable to equity shareholders by the weighted average of equity shares outstanding during the period. The weighted average of equity shares outstanding during the period and for all periods presented is adjusted for events such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is calculated by dividing the net profit / loss attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period adjusted for the effects of dilutive potential equity shares.

Particulars	31.03.2023	31.03.2022
Net Profit for the period attributable to equity shareholders (Amt in Rs)	3,44,82,166.20	1,24,69,594.61
Weighted average number of equity shares outstanding	3100000	310000
Basic Earnings Per Share	11.12	4.02
Weighted average number of equity shares and Preference shares outstanding	9197260.27	4394520.55
Diluted Earning Per Share	3.75	2.84



[Handwritten signature]

➤ **Taxes on Income [AS-22]**

Income tax expense comprises of Current Tax and Deferred tax. Provision for current tax is made on the basis of assessable income and at the rates applicable to the relevant assessment year.

Deferred tax is calculated based on timing difference between the accounting profit and tax profit, popularly referred as the "income statement approach". Deferred tax is calculated using the tax rate and applying the tax laws that have been enacted or substantively enacted by the Balance sheet date.

Deferred tax assets arising from brought forward business losses and unabsorbed depreciation under the tax laws are recognised only if there is a virtual certainty of its realisation supported by convincing evidence. At each balance sheet date, the carrying amounts of deferred tax assets are reviewed to re-assure realisation.

➤ **Discontinuing Operations [AS-24]**

A discontinuing operation is a component of an enterprise: (a) that the enterprise, pursuant to a single plan, is: (i) disposing of substantially in its entirety, such as by selling the component in a single transaction or by demerger or spin-off of ownership of the component to the enterprise's shareholders; or (ii) disposing of piecemeal, such as by selling off the component's assets and settling its liabilities individually; or (iii) terminating through abandonment; and (b) that represents a separate major line of business or geographical area of operations; and (c) that can be distinguished operationally and for financial reporting purposes.

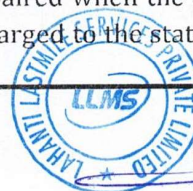
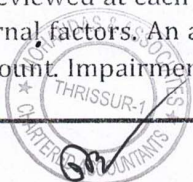
The company had a division which was dealing in transportation services. Its operations had been discontinued from April 2020. During the Current Financial Year the company has undertaken the valuation of assets and liabilities of the Division to determine its realisability.

Accordingly all the realisable assets and liability are carried forwarded in the books of Business correspondent division, while the non-realizable assets and liabilities are written off as losses/income respectively. Details of write off are as below:-

Particulars	Amount (Rs in '000s)	Dr/Cr
Goods and Service Tax	529.943	Dr
Expenses Payable	633.406	Cr
Other Current Assets	140.97	Dr
Receivable from Employees	202.39	Dr
Sundry Debtors	66.52	Dr
Other Payables	17.86	Cr
Total	288.57	Dr

➤ **Impairment of Assets [AS-28]**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Impairment loss is charged to the statement of profit and



loss, in the year in which the asset is impaired. An impairment loss recognised in previous year is reversed, in case there is a change in the estimate of the recoverable amount

➤ **Provisions, Contingent Liabilities and Contingent Assets [AS-29]**

Provisions are recognized only when there is 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 are determined based on best estimate of the amount required to settle the obligation at the Balance sheet date. Contingent Liabilities are not recognized but are disclosed and Contingent assets are neither recognized nor disclosed in the financial statements.

The company has received a show cause notice from Central Board of Indirect Taxes and Customs demanding an amount of Rs. 3,60,21,846.00 for FY 2017-2018 and FY 18-19 under Goods and Service Tax Act, 2017.

The above case is still pending with GST Department, and also company believes that it has strong merit in this case. Hence, no provision is provided in books of Accounts of the company and the same can be considered as contingent liability.

➤ **Net Profit Or Loss For The Period, Prior Period Items And Changes In Accounting Policies[AS-5]**

During the year the company has reclassified its fixed asset which was wrongly classified during the previous financial year. Accordingly, the depreciation for the same was recomputed and an excess amount of Rs. 5,58,437.66 was claimed as depreciation in this financial year as a result of the recomputation.

➤ **Input tax credit**

Input Tax credit is accounted for in the books in the period when the underlying service/supply received is accounted and when there is no uncertainty availing/utilizing the same.



Details of related party transactions during the year ended 31st March 2023; (Rs. in '000s)

Particulars	Transaction	As at 31st March 2023	As at 31st March 2022
Grampro Business Services Private Limited	Indirect expenses	88.53	55.92
ESAF Swasraya Multistate Agro Co-operative Society Ltd	Indirect expenses	5,518.56	26,22.48
Grampro Distribution Services Private Limited	Indirect expenses	86.97	18.93
CEDAR Publications LLP	Indirect expenses	15.90	-
Grampro Distribution Services Private Limited	Asset Purchase	85.59	45.70
Lahanti Homes & Infrastructure Private Limited	Asset Purchase	153.59	1,343.41
Grampro Business Services Private Limited	Asset Purchase	52.20	-
ESAF Swasraya Multistate Agro Co-operative Society Ltd	Share Issue	30,000.00	35,000.00
Total		3,60,01.34	3,90,86.45

Details of related party balance outstanding as at 31st March 2023; (Rs. in '000s)

Particulars	Transaction	As at 31st March 2023	As at 31st March 2022
GramPro Business Services Private Limited	Trade Payables	-	55.92
ESAF Swasraya Multistate Agro Co-operative Society Ltd	Trade Payables	21.16	46.63
GramPro Distribution Services Private Limited	Trade Payables	17.70	17.70
Lahanti Homes & Infrastructure Private Limited	Trade Payables	-	71.73
ESAF Swasraya Producers Company Limited	Trade Receivable	18.84	18.84
Total		57.70	210.82

Note: Related parties identified by management

Note 21 :

Disclosure required under MSMED Act 2006

There is no amount payable to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). Further, the company has not paid any amount to any Micro, Small and Medium Enterprises during the current year. The list of Micro and Small Enterprises was determined based on the information available with the company.

Note 22:

Registration of charges or satisfaction with Registrar of Companies

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2023. No charges or satisfaction are yet to be registered with ROC beyond the statutory period.

