

Date : 30<sup>th</sup> September ,2022

**CA Utkarsh Mehta**

**Utkarsh Mehta & Associates**

Narhari Sadan, First Floor, Gokulpura,  
Beside Namaskar Mandal, Near Lal Chowki,  
S.V.P. Road (Agra Road) Kalyan (w) – 421 301.  
Dist.-Thane. Maharashtra. India.

Dear Sir,

This representation letter is provided in connection with your audit of the financial statements of **Proalpha Capital Private Limited** for the year ended March 31, 2022 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects or give a true and fair view of the financial position in accordance with applicable accounting standard in India.

The Company's Board of Directors is responsible for the matters stated in the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

We confirm, to the best of our knowledge and belief, the following representations:

**1. Financial Statements:**

- We have fulfilled our responsibilities, for the preparation of the financial statements in accordance with Financial Reporting Standards; in particular the financial statements are fairly presented (or give a true and fair view) in accordance with the applicable accounting standards in India.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. (SA 540)
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of applicable accounting standards in India. (SA 550)

**2. Information Provided:**

- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- To the best of our knowledge and belief, no fraud has taken place which affects the entity and involves:
  - Management
  - Employees who have significant roles in internal control; or
  - Others where, the fraud could have a material effect on the financial statements. (SA 240)
- In absence of any specific cases, we are here by confirm that there is no allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysis, regulators or others. (SA 240)
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware. (SA 550) – List provided under point no.20.

**3. Accounting Policies:**

The accounting policies which are material or critical in determining the results of operations for the year or financial position are set out in the financial statements and are consistent with those adopted in the financial statements for the previous year. The financial statements are prepared on accrual basis.

**4. Share Capital:**

- We have recorded or disclosed, as appropriate, the number and amount of shares authorized, the number of shares issued, subscribed and fully paid, and subscribed but not fully paid, par value per share and other requirements in respect of the Company's capital including Shares in the company held by each shareholder holding more than 5 per cent shares specifying the number of shares held.
- The Company has not made any preferential allotment of shares during the year to the parties and companies covered in the Register maintained as per provision of the Act.

**5. Long term and Short term borrowings**

The Company does not have Long Term Borrowings as well as Short Term Borrowing as at the balance sheet date.

**6. Assets:**

The Company has a satisfactory title to all assets and there are no liens or encumbrances on the company's assets.

**7. Fixed Assets:**

The net book values at which fixed assets are stated in the Balance Sheet are arrived at:

- After taking into account all capital expenditure on additions thereto, excluding the expenditure chargeable to revenue;
- After eliminating the cost and accumulated depreciation relating to items sold, discarded, demolished or destroyed;
- After providing adequate depreciation on fixed assets during the period.

**8. Trade payables and Trade receivables:**

The Company have correctly shown Trade payables and Trade receivables as at the balance sheet date.

**9. Non-current and current Investments:**

The Company have correctly shown non-current investments as at the balance sheet date at cost.

**10. Long Term and Short Term loans and advances:**

The Company have correctly shown Long Term and Short Term loan & advances as at the balance sheet date.

**11. Cash and cash equivalents:**

We have recorded or disclosed, as appropriate, all formal or informal arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line of credit or similar arrangements.

**12. Closing Stock:**

The Company does not have any inventories as at the balance sheet date.

**13. Going Concern and Revenue Recognition:**

The company has prepared the Financial Statements on going concern basis.

**14. Capital Commitments:**

At the balance sheet date, there were no outstanding commitments for capital expenditure.

**15. Other Current Assets:**

In the opinion of the Board of Directors, other current assets have a value on realisation in the ordinary course of the company's business which is at-least equal to the amount at which they are stated in the Balance Sheet.

**16. Liabilities:**

- We have recorded all known liabilities in the financial statements.
- There were no contingent liabilities.

**17. Provisions for Expense, Claims and Losses:**

- Provision has been made in the accounts for all known expenses, losses and claims of material amounts.
- There have been no events subsequent to the balance sheet date which require adjustment of or disclosure in the financial statements or notes thereto.

**18. Profit and Loss Account:**

Except as disclosed in the financial statements, the results for the year were not materially affected by:

- Transactions of a nature not usually undertaken by the company;
- Circumstances of an exceptional or non-recurring nature

**19. Employee benefits:**

The company has made the provision for Gratuity for employee benefits i.e. short term & long term. PF & ESIC Act is not applicable to the company.

## 20. Related Party Transaction:

All related party transactions are recorded at arm's length price. Items of similar nature disclosed in aggregate, except when separate disclosure is necessary for an understanding of the effects of related party transactions on the entity's financial statements. List of related party are as follow:-

Sr. No.	Name	Relation	Nature of Payment	Amount ( in INR)
1	Mr. Rajesh Bhatt	Key Managerial Personnel	Salary & Bonus	35,00,000
2	Mr. Sharad Kumar	Key Managerial Personnel	Salary	30,00,000

## 21. General:

- There have been no irregularities involving management or employees who have a significant role in the system of internal control that could have a material effect on the financial statements.
- The financial statements are free of material misstatements, including omissions.
- The company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
- We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
- In our opinion, on realization in the ordinary course of the business all assets, other than fixed assets and non-current investments, as disclosed in the Balance Sheet are expected to realize no less than the net book amounts at which they are stated.
- All income and expenses which accrued up to the date of the Balance Sheet has been taken into account in preparing these financial statements.
- It is further confirmed that no expenses of personal nature (other than those payable under contractual obligations or in accordance with generally accepted business practice) and not related to the Company's business have been charged to the Company's financial statements.
- No payment has been made during the period ended whether directly or indirectly, by way of advertisement or otherwise to any political party in contravention of the provisions of the Act.

**For and on behalf of**  
**ProAlpha Capital Private Limited**

**Mr. Rajesh Bhatt**  
**Director**

**Mr. Sharad Kumar**  
**Director**

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