

**SC SOFT TECHNOLOGIES PRIVATE LIMITED**

Audited Financial Statement

FY 2021-2022



# Bansi Khandelwal & Co.

## Chartered Accountants

Reti Bhavan, Office No. 08, 1st Floor, Building No. 02, Mahatma Gandhi Chowk, Near Dombivli Station, Dombivli (W) Thane - 421202.  
Mobile : 9226717874 Email ID : bansikhandelwalandco@gmail.com

### Independent Auditor's Report

To

The Members of  
**SCSOFT TECHNOLOGIES PRIVATE LIMITED**

#### Opinion

We have audited the accompanying financial statements of **SC Soft Technologies Private Limited** ("the Company"), which comprise the balance sheet as at 31 March 2022, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the 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 (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, its Loss, total comprehensive Loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### 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. Reporting of key audit matters as per revised SA 700, is not applicable to the company as it is an unlisted company.

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, 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 in the 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





## **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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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.

In preparing the financial statements, Company's Board of Directors are 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 Company's Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are 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 Act, 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, 2020 issued by the Central Government of India in terms of Section 143(11) of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.
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 including other comprehensive income, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;





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Chartered Accountants

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- e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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) The Company is not public Company, hence provisions of section 197 read with Schedule V to the Act not applicable.
- h) 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 has disclosed the impact of pending litigations on its financial position in its financial statements; - Refer Note No- 40 of the Financial Statements;
  - ii. The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses; and
  - iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year.
  - iv. (a) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
  - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on the information and details provided and other audit procedures followed, nothing has come to our notice that has caused us to believe that the representations under subclause iv(a) and (b) contain any material misstatement.





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v. The Company has neither declared nor paid dividend during the year.

**For BANSI KHANDELWAL & CO.**  
Chartered Accountants  
Firm Registration No. 145850W

**Bansi V Khandelwal**  
Proprietor  
Membership Number 138205  
UDIN: 22138205AJQHPW2662



Date: 16<sup>th</sup> May 2022  
Place: Mumbai



**Annexure - A to the Independent Auditor's Report**

**Annexure referred to in paragraph 1 under "Report on other Legal and Regulatory requirements" of our report of even date to the members of the Company on the financial statements for the year ended 31 March 2022**

- i. (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of use assets.
- B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) As explained to us, all the property, plant and equipment have been physically verified by the management during the year, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company did not have any immovable properties as on the Balance Sheet date.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right to Use assets) and intangible assets during the year and hence clause 3(i)(d) of the Order is not applicable.
- (e) There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, and hence clause 3(i) (c) of the Order is not applicable.
- ii. (a) 1) According to the information and explanations provided to us, the inventory has been physically verified by the management during the year and in our opinion, the frequency of verification is reasonable.
- 2) In our opinion and according to the information and explanations provided to us, the procedure of physical verification of inventories, followed by the management are reasonable and adequate, in relation to the size of the company and the nature of its operations.
- 3) The company is maintaining proper records on inventory and as per the records provided to us no material discrepancies were noticed on physical verification of inventories as compared to the book records.
- (b) The Company has not sanctioned any working capital limits in excess of five crore rupees, in aggregate, on the basis of security of current assets.





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- iii According to the information and explanations given to us, the Company has not granted loans secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. The Company has not provided guarantees and securities during the year.
- iv In our opinion and according to the information and explanations given to us, the Company has not given guarantees or provided securities during the year. The Company has complied with the provisions of section 185 and 186 of the Act with respect to loans given and investments made as applicable.
- v The Company has not accepted any deposits or amounts which are deemed to be deposits, from the public within the directives issued by Reserve Bank of India and within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.
- vi According to information and explanation given to us, the Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the activities carried on by of the Company.
- vii According to the records of the Company examined by us and information and explanations given to us:
- a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities *except delays in few cases*. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2022 for a period of more than six months from the date they became payable.
- b) There are no amounts of any statutory dues which are yet to be deposited on account of any dispute except as stated below:

| Name of the Statute | Nature of the Dues  | Amount (In lakhs) | Period to which the amount relates | Forum where dispute is pending                                |
|---------------------|---------------------|-------------------|------------------------------------|---|
| Income Tax Act 1961 | Income Tax- Penalty | 13,46,145.00      | AY 2016-2017                       | Commissioner of Income Tax (Appeals)- Circle 1(1), Trivandrum |

- viii According to the records of the Company examined by us, and information and explanations given to us, there are no such transactions related to unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any loans or borrowings from banks. Hence reporting under clause 3(ix) (a) to (f) of the Order is not applicable.
- x (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence reporting on clause 3(ix)(f) of the Order is not applicable.







- (b) According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures and hence clause 3(x)(b) of the Order is not applicable.
- xi (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the records of the Company examined by us, and information and explanations given to us, there are no whistle blower complaints received during the year.
- xii in our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Hence clause (xii) of the Order is not applicable.
- xiii According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable Accounting Standards.
- xiv During the year, Internal audit is not applicable to the company as per section 138 of the Act. Hence reporting under clause 3(xiv) (a) to (b) of the Order is not applicable.
- xv According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Act are not applicable to the Company.
- xvi a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence clause (xvi) (a),(b) and (c) of the Order are not applicable
- b) In our opinion, the Company is not a core investment company and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii According to the records of the Company examined by us, and information and explanations given to us, the Company has incurred cash losses of Rs. 1,60,04,503/- during the financial year and Rs. Nil in the immediately preceding financial year.
- xviii There has resignation of statutory auditor during the year and We have taken into consideration the issues, objections or concerns raised by the outgoing auditors;





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- xix On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, there is no material uncertainty that exists as on the date of the audit report and that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx The Company is not required to spend towards Corporate Social responsibility (CSR) and hence clause 3(xx) of the Order is not applicable.

For **BANSI KHANDELWAL & CO.**  
Chartered Accountants  
Firm Registration No. 145850W

**Bansi V Khandelwal**  
Proprietor  
Membership Number 138205  
UDIN: 22138205AJQHPW2662



Date: 16<sup>th</sup> May 2022  
Place: Mumbai



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## Annexure - B to the Independent Auditor's Report

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of SC Soft Technologies Private Limited on the financial statements for the year ended 31 March 2022**

We have audited the internal financial controls over financial reporting of **SC Soft Technologies Private Limited** ("the Company") as of 31 March 2022 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). 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 Act.

### Auditor's 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls. 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 judgment, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.





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## 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 authorizations 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 31 March 2022, 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 **BANSI KHANDELWAL & CO.**  
Chartered Accountants  
Firm Registration No. 145850W

**Bansi V Khandelwal**  
Proprietor  
Membership Number 138205  
UDIN: 22138205AJQHPW2662



Date: 16<sup>th</sup> May 2022  
Place: Mumbai

**SCSOFT TECHNOLOGIES PRIVATE LIMITED**  
(CIN : U72200KL2010PTC025477)  
Ground Floor, Carnival Building, Technopark, Karyavattom P O, Trivandrum - 695 581

**Balance Sheet as at 31.03.2022**

| Particulars                         | Note No. | As at<br>31.03.2022 | (Amounts in ₹)<br>As at<br>31.03.2021 |
|-------------------------------------|----------|---------------------|---------------------------------------|
| <b>ASSETS</b>                       |          |                     |                                       |
| <b>1. Non Current Assets</b>        |          |                     |                                       |
| (a) Property, Plant and Equipment   | 2        | 763,068             | 1,169,546                             |
| (b) Intangible Assets               | 4        | -                   | -                                     |
| (c) Right of Use Assets             | 3        | 3,384,670           | 4,974,347                             |
| (d) Financial Assets                |          |                     |                                       |
| (i) Investment                      | 5        | 35,000              | -                                     |
| (ii) Other Financial Assets         | 6        | 465,085             | 832,373                               |
| (e) Deferred Tax Assets (Net)       | 7        | 1,407,367           | 2,610,269                             |
| (f) Other Non-Current Assets        | 8        | 9,507,096           | 17,718,349                            |
| <b>2. Current Assets</b>            |          |                     |                                       |
| (a) Inventories                     | 9        | 26,769,843          | 31,905,305                            |
| (b) Financial Assets                |          |                     |                                       |
| (i) Trade Receivables               | 10       | 12,260,002          | 20,684,562                            |
| (ii) Cash and Cash Equivalents      | 11       | 673,203             | 741,463                               |
| (iii) Other Financial Assets        | 12       | 1,607,875           | 4,401,099                             |
| (c) Other Current Assets            | 13       | 2,398,977           | 2,361,167                             |
| <b>TOTAL ASSETS</b>                 |          | <b>59,272,186</b>   | <b>87,398,480</b>                     |
| <b>EQUITY AND LIABILITIES</b>       |          |                     |                                       |
| <b>1. Equity</b>                    |          |                     |                                       |
| (a) Equity Share Capital            | 14       | 2,078,000           | 2,078,000                             |
| (b) Other Equity                    | 15       | (22,482,336)        | (1,498,780)                           |
| <b>2. Liabilities</b>               |          |                     |                                       |
| <b>Non-Current Liabilities</b>      |          |                     |                                       |
| (a) Financial Liabilities           |          |                     |                                       |
| (i) Lease Liabilities               | 16       | 3,961,962           | 4,691,337                             |
| (b) Provisions                      | 17       | 2,273,581           | 4,503,981                             |
| <b>Current Liabilities</b>          |          |                     |                                       |
| (a) Financial Liabilities           |          |                     |                                       |
| (i) Lease Liabilities               | 18       | 729,375             | 928,648                               |
| (ii) Trade Payables                 | 19       |                     |                                       |
| -Due to Micro and Small Enterprises |          | 91,064              | 498,713                               |
| -Due to Others                      |          | 60,917,797          | 62,273,357                            |
| (iii) Other Financial Liabilities   | 20       | 10,097,914          | 7,731,765                             |
| (b) Other Current Liabilities       | 21       | 214,720             | 1,006,421                             |
| (c) Provisions                      | 22       | -                   | 3,794,928                             |
| (d) Current Tax Liabilities (Net)   |          | 1,390,109           | 1,390,109                             |
| <b>TOTAL EQUITY AND LIABILITIES</b> |          | <b>59,272,186</b>   | <b>87,398,480</b>                     |

Significant Accounting Policies and Notes on Accounts 1-2  
The accompanying notes are an integral part of these financial statements. 1-47

As per our attached report of even date  
FOR **BANSI KHANDELWAL & CO.**  
Chartered Accountants  
Firm Registration No. 145850W

**Bansi V Khandelwal**  
Proprietor  
Membership No 138205



Date: 16/05/2022  
Place: Navi Mumbai

For and on behalf of the Board of Directors  
CIN- U72200KL2010PTC025477

**Sanjay Bharat Bali**  
Director  
DIN:08716284  
Place: Navi Mumbai



**Awad Mohammed Hamza**  
Director  
DIN: 02927704  
Place: Trivandrum

**SCSOFT TECHNOLOGIES PRIVATE LIMITED**

(CIN : U72200KL2010PTC025477)

Ground Floor, Carnival Building, Technopark, Karyavattom P O, Trivandrum - 695581

**Statement of Profit and Loss for the year ended 31.03.2022**

| Particulars  | Note No. | (Amounts in ₹)                |                               |
|--|----------|-------------------------------|-------------------------------|
|  |          | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
| <b>1. INCOME</b>   |          |                               |                               |
| (a) Revenue from Operations                                | 23       | 25,961,820                    | 89,091,131                    |
| (b) Other Income   | 24       | 50,758                        | 725,808                       |
| <b>Total Income</b>  |          | <b>26,012,579</b>             | <b>89,816,939</b>             |
| <b>2. EXPENSES</b>   |          |                               |                               |
| (a) Purchases of Stock in Trade                            | 25       | 33,191                        | 22,294,374                    |
| (b) Change in Inventories                                  | 26       | (10,680)                      | (5,412,954)                   |
| (c) Employee Benefit Expense                               | 27       | 31,709,874                    | 50,436,534                    |
| (d) Finance Costs  | 28       | 520,756                       | 1,081,095                     |
| (e) Depreciation and Amortization Expense                  | 4(a)     | 2,368,086                     | 2,760,429                     |
| (f) Other Expenses   | 29       | 14,910,083                    | 16,143,147                    |
| <b>Total Expenses</b>                                      |          | <b>49,531,310</b>             | <b>87,302,625</b>             |
| <b>3. Profit / (Loss) before exceptional items and tax</b> |          | (23,518,732)                  | 2,514,314                     |
| <b>4. Exceptional Items</b>                                |          | -                             | -                             |
| <b>5. Profit before taxation</b>                           |          | <b>(23,518,732)</b>           | <b>2,514,314</b>              |
| (a) Current Tax  |          | -                             | 1,279,680                     |
| (b) Deferred Tax Charge/(Credit)                           |          | 1,202,903                     | (292,457)                     |
| <b>7. Profit/(Loss) after tax</b>                          |          | <b>(24,721,634)</b>           | <b>1,527,091</b>              |
| <b>8. Other Comprehensive Income</b>                       |          |                               |                               |
| Remeasurement of Employee Benefits (net of tax)            |          | 3,738,078                     | 1,020,695                     |
| Deferred Tax Income  |          | -                             | 265,381                       |
| <b>9. Total Comprehensive Income for the year</b>          |          | <b>(20,983,556)</b>           | <b>2,813,167</b>              |
| <b>10. Earnings per Equity Share:</b>                      |          |                               |                               |
| Basic & Diluted  | 40       | (1,189.68)                    | 73.49                         |


The accompanying notes are an integral part of these financial statements

As per our attached report of even date  
FOR **BANSI KHANDELWAL & CO.**  
Chartered Accountants  
Firm Registration No. 145850W

For and on behalf of the Board of Directors  
CIN- U72200KL2010PTC025477

  
**Bansi V Khandelwal**  
Proprietor  
Membership No 138205



  
**Sanjay Bharat Bali**  
Director  
DIN:08716284  
Place: Navi Mumbai



  
**Awad Mohammed Hamza**  
Director  
DIN: 02927704  
Place: Trivandrum

Date: 16/05/2022  
Place: Navi Mumbai

**SCSOFT TECHNOLOGIES PRIVATE LIMITED**

(CIN : U72200KL2010PTC025477)

Ground Floor, Carnival Building, Technopark, Karyavattom P O, Trivandrum - 695581

**Statement of Changes in Equity for the period ended 31 March, 2022**

**(a) Equity Share Capital**

(Amounts in ₹)

| Balance as at April 1, 2021 | Changes in equity share capital due to prior period errors | Restated balance as at April 1, 2021 | Changes in equity share capital during the year | Balance as at March 31, 2022 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 2,078,000                   | -  | 2,078,000                            | -   | 2,078,000                    |

| Balance as at April 1, 2020 | Changes in equity share capital due to prior period errors | Restated balance as at April 1, 2020 | Changes in equity share capital during the year | Balance as at March 31, 2021 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 2,078,000                   | -  | 2,078,000                            | -   | 2,078,000                    |

**(b) Other Equity**

| Particulars   | Attributed to the equity holders |                     |  | Total               |
|---|----------------------------------|---------------------|--|---------------------|
|   | Reserves & Surplus               |                     | Other Comprehensive Income                               |                     |
|   | Securities Premium               | Retained Earnings   | Remeasurement of Actuarial Gain on Defined Benefit Plans |                     |
| <b>Balance as at March 31, 2020</b>                         | <b>10,044,048</b>                | <b>(14,754,777)</b> | <b>398,782</b>   | <b>(4,311,947)</b>  |
| Surplus of Statement of Profit and Loss                     | -                                | 1,527,091           | -  | 1,527,091           |
| Other Comprehensive Income for the year (net of tax)        | -                                | -                   | 1,286,076  | 1,286,076           |
| <b>Total Comprehensive Income for the year (net of tax)</b> | <b>-</b>                         | <b>1,527,091</b>    | <b>1,286,076</b>   | <b>2,813,167</b>    |
| Addition/(Deduction) during the year                        | -                                | -                   | -  | -                   |
| <b>Balance as at March 31, 2021</b>                         | <b>10,044,048</b>                | <b>(13,227,686)</b> | <b>1,684,858</b>   | <b>(1,498,780)</b>  |
| Deficit of Statement of Profit and Loss                     | -                                | (24,721,634)        | -  | (24,721,634)        |
| Other Comprehensive Income for the year (net of tax)        | -                                | -                   | 3,738,078  | 3,738,078           |
| <b>Total Comprehensive Income for the year (net of tax)</b> | <b>-</b>                         | <b>(24,721,634)</b> | <b>3,738,078</b>   | <b>(20,983,556)</b> |
| Addition/(Deduction) during the year                        | -                                | -                   | -  | -                   |
| <b>Balance as at March 31, 2022</b>                         | <b>10,044,048</b>                | <b>(37,949,320)</b> | <b>5,422,936</b>   | <b>(22,482,336)</b> |

The accompanying notes form an integral part of these financial statements.

As per our attached report of even date  
FOR **BANSI KHANDELWAL & CO.**

Chartered Accountants  
Firm Registration No. 145850W

**Bansi V Khandelwal**  
Proprietor  
Membership No 138205

Date: 16/05/2022  
Place: Navi Mumbai



For and on behalf of the Board of Directors  
CIN- U72200KL2010PTC025477

*Amal*  
**Sanjay Bharat Bali**  
Director  
(DIN:08716284)  
Place: Navi Mumbai

*Amal*  
**Awad Mohammed Hamza**  
Director  
(DIN: 02927704)  
Place: Trivandrum

**Statement of Cash Flow for the Year ended 31.03.2022**

| Particulars  | For the year ended<br>31.03.2022 | (Amount in ₹)<br>For the year ended<br>31.03.2021 |
|--|----------------------------------|---|
| <b>A. Cash Flow from Operating Activities:</b>                             |                                  |   |
| Net Profit Before Tax  | (23,518,732)                     | 2,514,314   |
| <b>Adjustments for:</b>  |                                  |   |
| Depreciation and Amortisation Expenses                                     | 2,368,086                        | 2,760,429   |
| Interest Income  | (20,754)                         | (40,114)  |
| Interest Expenses  | 511,056                          | 1,074,852   |
| Foreign Exchange Flactuation Gain  | 920,549                          | 2,191,304   |
| <b>Operating Profit before Working Capital Changes</b>                     | <b>(19,739,795)</b>              | <b>8,500,785</b>                                  |
| <b>Movements in Working Capital</b>  |                                  |   |
| Decrease/(Increase) in Inventories   | 5,135,462                        | (5,412,954)                                       |
| Increase in Trade Receivables and Other Advances                           | 10,259,425                       | 8,428,982   |
| Increase / (Decrease) in Trade Payables and Other Liabilities              | 602,940                          | (14,975,853)                                      |
| (Decrease)/ Increase in Provisions   | (2,287,250)                      | 3,136,163   |
| Decrease in Other Current Liabilities                                      | (791,702)                        | (701,348)   |
| Decrease in Other Non Current Assets                                       | 8,578,541                        | 2,363,937   |
| <b>Net Cash Gerenerated from Operations Activities</b>                     | <b>1,757,621</b>                 | <b>1,339,712</b>                                  |
| Income tax paid (net of refund)  | -                                | -   |
| <b>Net Cash Gerenerated from Operating Activities (A)</b>                  | <b>1,757,621</b>                 | <b>1,339,712</b>                                  |
| <b>B. Cash Flow from Investing Activities:</b>                             |                                  |   |
| Purchase of Plant,Property and Equipment and Intangible Assets             | (371,931)                        | -   |
| Purchase of Investment   | (35,000)                         | -   |
| Interest Received  | 20,754                           | 40,114  |
| <b>Net Cash Flow Gerenerated / (Used in) from Investing Activities (B)</b> | <b>(386,177)</b>                 | <b>40,114</b>                                     |
| <b>C. Cash Flow from Financing Activities</b>                              |                                  |   |
| Interest Paid  | -                                | (439,379)   |
| Repayment of Lease Liabilities   | (1,439,704)                      | (1,953,412)                                       |
| <b>Net Cash Flow Used in from Financing Activities (C)</b>                 | <b>(1,439,704)</b>               | <b>(2,392,791)</b>                                |
| <b>Net Decrease in Cash and Cash Equivalents (A +B+C)</b>                  | <b>(68,260)</b>                  | <b>(1,012,965)</b>                                |
| Cash and Cash Equivalents at beginning of year                             | 741,463                          | 1,754,429   |
| <b>Cash and Cash Equivalents at end of year</b>                            | <b>673,203</b>                   | <b>741,463</b>                                    |

**Notes:**

- a). Cash and cash equivalent consists of cash on hand and balances with banks. Refer Note 10 and 11 for details of cash and cash equivalent at the beginning and end of the year.
- b). The Cash Flow Statement has been prepared under the indirect method set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

The accompanying notes form an integral part of these financial statements.

As per our attached report of even date  
**FOR BANSI KHANDLWAL & CO.**  
Chartered Accountants  
Firm Registration No. 145850W

**Bansi V Khandelwal**  
Proprietor  
Membership No 138205

Date: 16/05/2022  
Place: Navi Mumbai



**For and on behalf of the Board of Directors**  
CIN- U72200KL2010PTC025477

**Sanjay Bharat Bali**  
Director  
(DIN:08716284)  
Place: Navi Mumbai

**Awad Mohammed Hamza**  
Director  
(DIN: 02927704)  
Place: Trivandrum

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# SCSOFT TECHNOLOGIES PRIVATE LIMITED

(CIN : U72200KL2010PTC025477)

Ground Floor, Carnival Building, Technopark, Karyavattom P O, Trivandrum - 695581

## Company Overview and Significant Accounting Policies

### 1.1 Company Overview

SCSOFT TECHNOLOGIES PRIVATE LIMITED is a 24/7 Managed Services & Solutions company specialising in providing IT Infrastructure Services such Remote IT monitoring services, Network & Server Management Services, IT Consulting, Cloud Management and support services. During the year the company has also engaged in the business of supply and maintenance of hardware and software systems for Automatic fare collection system for metro rail projects. The company is a private limited company, incorporated and domiciled in India with its registered office located in Technopark, Trivandrum, Kerala, India.

### 1.2 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ("the Act"), read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards Amendment) Rules 2016 and Other provisions of the Act to the extent notified and applicable as well as applicable guidance note and pronouncements of the Institute of Chartered Accountants of India (ICAI).

### 1.3 Basis of preparation and presentation of Financial Statements

- a. These financial statements have been prepared on the historical cost basis, except for certain assets and liabilities which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.
- b. The statement of financial position (including statement of changes in equity) and the statement of profit and loss are prepared and presented in the format prescribed in Division II of Schedule III to the Companies Act, 2013. The cash flow statement has been prepared and presented as per the requirements of Ind AS 7 "Cash Flow Statements". The disclosure requirements with respect to items in the balance sheet and statement of profit and loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.
- c. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out under Ind AS and in the Schedule III to the Act. Based on the nature of the services and their realisation in Cash and Cash Equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.
- d. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use
- d. The Company's financial statements are presented in Indian Rupees (Rs), which is also its functional currency. All amounts have been rounded off to the nearest lakhs unless otherwise indicated. Per share data are presented in Indian Rupees.
- e. The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of fixed price contracts, impact on leases. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19

### 1.4 Key Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at date of financial statements and reported statement of income and expense for the period presented. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Estimates & underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.



## SCSOFT TECHNOLOGIES PRIVATE LIMITED

(CIN : U72200KL2010PTC025477)

Ground Floor, Carnival Building, Technopark, Karyavattom P O, Trivandrum - 695581

### Company Overview and Significant Accounting Policies

The areas involving critical estimates or judgements pertaining to useful life of property, plant and equipment including intangible asset, provision for current tax and tax provisions, Valuation of deferred tax assets and provisions and contingent liabilities. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

**Useful life of Property, Plant and Equipment including intangible asset:** The Company reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**Income Taxes:** The Company provides for tax considering the applicable tax regulations and based on probable estimates. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. (The policy for the same has been explained under Note 1.11)

**Provisions and contingent liabilities:** A Provision is recognised when the Company has a present obligation as a result of past event 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 and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates. (The policy for the same has been explained under Note 1.16)

### 1.5 Revenue Recognition

Revenue from software development and consulting services is recognized either on time and material basis or fixed price basis, as the case may be. Revenue on time and material and job contracts is recognized as and when the related services are performed (units delivered, efforts expended, number of transactions processed etc.) and Unbilled revenue is accounted on estimate basis in respect of contracts where the contractual right to consideration is based on completion of contractual milestones and other technical measurements. Invoicing in excess of revenues are recognized as unearned revenues. Revenue on fixed price contracts is recognized where performance obligations are satisfied over time and there is no uncertainty as to measurement or collectability of consideration on the percentage of completion method. Efforts and costs expended have been used to measure progress towards completion since there is direct relationship between input and productivity. Revenue recognised for any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Revenue from sale of licenses / hardware, where the customer obtains a "right to use" the licenses / hardware is recognized at the point in time when the related license / hardware is made available to the customer. Revenue from licenses / hardware where the customer obtains a "right to access" is recognized over the access period.

Arrangements to deliver software products generally have three elements: license, implementation and annual maintenance. In accordance with the principles of Ind AS 115, when implementation services are provided in conjunction with the licensing arrangement, the license and implementation have been identified as two separate performance obligations. The transaction price for such contracts are allocated to each performance obligations based on their respective selling prices. Maintenance revenue in respect of software products and other products/equipment is recognised on pro rata basis over the period of the underlying maintenance agreement. Revenue is net of discounts/ price incentives which are estimated and accounted based on the terms of the contracts and excludes applicable indirect taxes. Interest income is recognised on a time proportion basis using effective interest rate method.

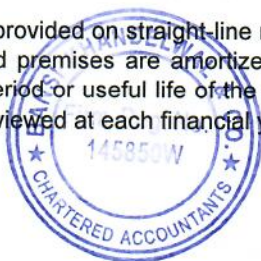
### 1.6 Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and impairment losses if any. Cost includes expenditure directly attributable to the acquisition of the asset and cost incurred for bringing the asset to its present location and condition for its intended use.

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following

### 1.7 Depreciation

Depreciation is provided on straight-line method over the useful life of the assets as prescribed in Schedule II to the Companies Act 2013. Leasehold premises are amortized over the lease period. Leasehold improvements are amortized over shorter of the unexpired lease period or useful life of the asset. The residual values, useful lives and method of depreciation of Property, Plant and Equipment is reviewed at each financial year end and adjusted prospectively, if appropriate



## SCSOFT TECHNOLOGIES PRIVATE LIMITED

(CIN : U72200KL2010PTC025477)

Ground Floor, Carnival Building, Technopark, Karyavattom P O, Trivandrum - 695581

### Company Overview and Significant Accounting Policies

#### 1.8 Intangible Assets

- a. Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. The useful lives of intangible assets are assessed as either finite or indefinite. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively basis revised estimates.
- b. Finite-life intangible assets are amortised on a straightline basis over the period of their expected useful lives. The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. Computer Software is amortised over a period of 5 years or over license period, whichever is lower.
- c. Goodwill is initially recognised based on the accounting policy for business combinations. These assets are not amortised but are tested for impairment annually.

#### 1.9 Valuation of Inventories

Inventories include traded goods and are valued at lower of cost or net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventory to their present location and condition. Cost is determined on the first-in, first-out (FIFO) basis.

#### 1.10 Leases

##### Company as a lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has the right to obtain substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.
- (iv) the Company has the right to operate the asset; or
- (v) the Company designed the assets in a way that predetermined how and for what purpose it will be used.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straightline basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.



**SCSOFT TECHNOLOGIES PRIVATE LIMITED**

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**Company Overview and Significant Accounting Policies**

**1.11 Income Taxes**

- a. Income tax expense for the year comprises of current tax and deferred tax. Income Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.
- b. Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Management periodically evaluates positions taken in tax return with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
- c. Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding tax base used for computation of taxable Income.
- d. A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.
- e. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity).
- f. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent it is probable evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income-tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written-down to the extent the aforesaid convincing evidence no longer exists.
- g. Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act,1961 and based on the expected outcome of assessments/appeals. The Company uses estimates and judgements based on the relevant rulings in the areas of allowances and disallowances which are exercised while determining the provision for income tax.

The Company uses estimates and judgements based on the relevant rulings in the areas of allowances and disallowances which are exercised while determining the provision for income tax.

**1.12 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**1.13 Foreign Currency Transactions**

- a. Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the year is recognized in the Statement of Profit and Loss.
- b. Monetary assets and liabilities in foreign currency which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss in the year in which they arise.
- c. Non-monetary foreign currency items are carried at cost.



## SCSOFT TECHNOLOGIES PRIVATE LIMITED

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### Company Overview and Significant Accounting Policies

#### 1.14 Employee Benefits

##### a. Short-Term Employee Benefits

Employee benefits payable wholly within twelve months of availing employee service are classified as short-term employee benefits. This benefits includes salaries and wages, bonus and ex- gratia and compensated absences. The undiscounted amount of short-term employee benefits to be paid in exchange of employees services are recognised in the period in which the employee renders the related service.

##### b. Long-Term Employee Benefits

###### (i) Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which employee renders the related service.

###### (ii) Defined Benefit Plan Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the Profit and Loss account.

Remeasurement which comprise of actuarial gain and losses, the return of plan assets (excluding interest) and the effect of asset ceiling (if any, excluding interest) are recognised in OCI. Plan Assets of Defined Benefit Plans have been measured at fair value.

#### 1.15 Earnings per Share (EPS)

In determining Earnings per Share, the Company considers net profit after tax and includes post tax effect of any exceptional item. Number of shares used in computing basic earnings per share is the weighted average number of the shares outstanding during the period. Dilutive earning per share is computed and disclosed after adjusting effect of all dilutive potential equity shares, if any, except when result will be anti - dilutive. Dilutive potential equity Shares are deemed converted as at the beginning of the period, unless issued at a later date.

#### 1.16 Provisions, Contingent Liabilities and Contingent Assets

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are disclosed only when an inflow of economic benefit is probable.



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**Company Overview and Significant Accounting Policies**

**1.17 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash and deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**1.18 Impairment**

**a) Non-Financial Assets**

Intangible assets that have an indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that they may be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is increased/ reversed where there has been change in the estimate of recoverable value. The recoverable value is the higher of the assets' net selling price and value in use.

**b) Impairment of Financial Assets (other than a fair value)**

The Company recognise loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for the trade receivables with no significant financing component is measured at amount equal to life time ECL. For all other financial assets, ECLs are measured at an amount equal to the 12 month ECL, unless there has been significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit and loss.

**1.19 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

**Measurement of Fair value of Financial Instruments**

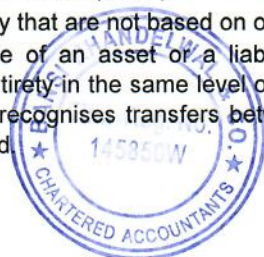
The Company's accounting policies and disclosures require measurement of fair values for the financial instruments. The Company has an established control framework with respect to measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including level in the fair value hierarchy in which such valuations should be classified. When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data

If inputs used to measure fair value of an asset or a liability fall into different levels of fair value hierarchy, then fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of fair value hierarchy at the end of the reporting period during which the change has occurred.



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**Company Overview and Significant Accounting Policies**

**A) Financial Assets**

**a. Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b. Financial Assets at fair value through other comprehensive income (FVTOCI)**

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

**c. Financial Assets at fair value through profit or loss (FVTPL)**

Financial assets are measured at FVTPL unless they are measured at amortised cost or at FVTOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit and loss.

**d. Derecognition**

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred

**B) Financial Liabilities**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost. Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**a Derecognition**

The Company derecognizes a financial liability (or a part of a financial liability) from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**b Equity Instruments**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

**c Offsetting of Financial Instruments**

Offsetting of financial instruments Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

**1.20 Recent pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below

- i) Proceeds before intended use (Ind AS 16, Property, Plant and Equipment) The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements



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ii) Reference to Conceptual Framework (Ind AS 103, Business Combination)

Reference to Conceptual Framework The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements

iii) Onerous Contracts – Costs of Fulfilling a Contract (Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets)

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements

iv) Annual Improvements to Ind AS (2021)- (Ind AS 109, Financial Instrument)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.





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**Notes on Accounts for the period ended 31.03.2022**

**2. Property, Plant and Equipment**

(Amounts in ₹)

| Particulars                 | Leasehold Improvements | Computers & Accessories | Furniture & Fixtures | Office Equipments | Plant & Machinery | Vehicle | Total     |
|-----------------------------|------------------------|-------------------------|----------------------|-------------------|-------------------|---------|-----------|
| <b>Gross Carrying Value</b> |                        |                         |                      |                   |                   |         |           |
| As at 01.04.2020            | 9,36,990               | 23,43,216               | 7,25,775             | 85,805            | 2,13,375          | 48,801  | 43,53,963 |
| Additions                   | -                      | -                       | -                    | -                 | -                 | -       | -         |
| Disposal                    | -                      | -                       | -                    | -                 | -                 | -       | -         |
| As at 01.04.2021            | 9,36,990               | 23,43,216               | 7,25,775             | 85,805            | 2,13,375          | 48,801  | 43,53,963 |
| Additions                   | -                      | 3,71,931                | -                    | -                 | -                 | -       | 3,71,931  |
| Disposal                    | -                      | -                       | -                    | -                 | -                 | -       | -         |
| As at 31.03.2022            | 9,36,990               | 27,15,147               | 7,25,775             | 85,805            | 2,13,375          | 48,801  | 47,25,894 |

**Accumulated Depreciation**

|                             |          |           |          |        |          |        |           |
|-----------------------------|----------|-----------|----------|--------|----------|--------|-----------|
| As at 01.04.2020            | 6,02,952 | 9,58,288  | 2,96,951 | 51,026 | 88,636   | 15,812 | 20,13,666 |
| Depreciation for the period | 2,52,954 | 7,19,037  | 1,37,345 | 21,498 | 32,006   | 7,911  | 11,70,751 |
| On disposal                 | -        | -         | -        | -      | -        | -      | -         |
| As at 01.04.2021            | 8,55,906 | 16,77,325 | 4,34,297 | 72,525 | 1,20,642 | 23,723 | 31,84,417 |
| Depreciation for the period | 81,084   | 5,24,321  | 1,23,120 | 7,810  | 34,598   | 7,475  | 7,78,408  |
| On disposal                 | -        | -         | -        | -      | -        | -      | -         |
| As at 31.03.2022            | 9,36,990 | 22,01,646 | 5,57,417 | 80,335 | 1,55,239 | 31,198 | 39,62,825 |

**Net Carrying Value**

|                  |        |          |          |        |        |        |           |
|------------------|--------|----------|----------|--------|--------|--------|-----------|
| As at 31.03.2021 | 81,084 | 6,65,891 | 2,91,479 | 13,281 | 92,733 | 25,078 | 11,69,546 |
| As at 31.03.2022 | -      | 5,13,500 | 1,68,358 | 5,471  | 58,136 | 17,603 | 7,63,068  |

None of the Property, Plant and Equipment were revalued in current year or in earlier years.



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**Notes on Accounts for the period ended 31.03.2022**

(Amounts in ₹)

**3. Right of Use Assets**

| Particulars                 | Leasehold Buildings | Total     |
|-----------------------------|---------------------|-----------|
| <b>Gross Carrying Value</b> |                     |           |
| As at 01.04.2020            | 81,53,703           | 81,53,703 |
| Additions                   | -                   | -         |
| Deductions                  | -                   | -         |
| As at 01.04.2021            | 81,53,703           | 81,53,703 |
| Additions                   | -                   | -         |
| Deductions                  | -                   | -         |
| As at 31.03.2022            | 81,53,703           | 81,53,703 |

|                                 |           |           |
|---------------------------------|-----------|-----------|
| <b>Accumulated Amortization</b> |           |           |
| As at 01.04.2020                | 15,89,678 | 15,89,678 |
| Depreciation for the year       | 15,89,678 | 15,89,678 |
| Deductions                      | -         | -         |
| As at 01.04.2021                | 31,79,356 | 15,89,678 |
| Depreciation for the year       | 15,89,678 | 15,89,678 |
| Deductions                      | -         | -         |
| As at 31.03.2022                | 47,69,034 | 47,69,034 |

|                           |           |           |
|---------------------------|-----------|-----------|
| <b>Net Carrying Value</b> |           |           |
| As at 31.03.2021          | 49,74,347 | 49,74,347 |
| As at 31.03.2022          | 33,84,670 | 33,84,670 |

**4. Intangible Assets**

| Particulars                 | Computer Software | Total  |
|-----------------------------|-------------------|--------|
| <b>Gross Carrying Value</b> |                   |        |
| As at 01.04.2020            | 26,287            | 26,287 |
| Additions                   | -                 | -      |
| Deductions                  | -                 | -      |
| As at 01.04.2021            | 26,287            | 26,287 |
| Additions/ (Deductions)     | -                 | -      |
| As at 31.03.2022            | 26,287            | 26,287 |

|                                 |        |        |
|---------------------------------|--------|--------|
| <b>Accumulated Amortization</b> |        |        |
| As at 01.04.2020                | 26,287 | 26,287 |
| Amortization for the year       | -      | -      |
| Deductions                      | -      | -      |
| As at 01.04.2021                | 26,287 | 26,287 |
| Amortization for the year       | -      | -      |
| Deductions                      | -      | -      |
| As at 31.03.2022                | 26,287 | 26,287 |

|                           |   |   |
|---------------------------|---|---|
| <b>Net Carrying Value</b> |   |   |
| As at 31.03.2021          | - | - |
| As at 31.03.2022          | - | - |

**4.(a) Depreciation and Amortization Expense**

| Particulars                                   | For the year ended |                  |
|---|--------------------|------------------|
|   | 31.03.2022         | 31.03.2021       |
| Depreciation on Property, Plant and Equipment | 7,78,408           | 11,70,751        |
| Depreciation on Right of Use Assets           | 15,89,678          | 15,89,678        |
| <b>Total</b>                                  | <b>23,68,086</b>   | <b>27,60,429</b> |



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Notes on Accounts for the year ended 31.03.2022

(Amounts in ₹)

**5. Non- current investments**

| Particulars   | As at         |            |
|---|---------------|------------|
|   | 31.03.2022    | 31.03.2021 |
| <b>Non-trade investments: unquoted</b>                              |               |            |
| Investment in equity instruments of other companies (fully paid-up) |               |            |
| Aurionpro Transit Solutions Pvt Ltd                                 | 35,000        | -          |
| <b>Total</b>  | <b>35,000</b> | <b>-</b>   |

**6. Financial Assets**

| Particulars       | As at           |                 |
|-------------------|-----------------|-----------------|
|                   | 31.03.2022      | 31.03.2021      |
| Security Deposits | 4,65,085        | 8,32,373        |
| <b>Total</b>      | <b>4,65,085</b> | <b>8,32,373</b> |

**7. Deferred Taxes Assets**

|   | As at            |                  |
|---|------------------|------------------|
|   | 31.03.2022       | 31.03.2021       |
| <b>A) Deferred Tax Assets</b>   |                  |                  |
| Related to Timing Difference on Depreciation/Amortisation on PPE/ Other Intangible Assets | 10,55,690        | 5,15,093         |
| Related to Employee Benefit Provisions  | 5,35,392         | 21,57,717        |
| Related to Lease Liabilities  | (3,08,164)       | (1,86,990)       |
| MAT Credit  | 1,24,449         | 1,24,449         |
| <b>Net Deferred Tax Assets</b>  | <b>14,07,367</b> | <b>26,10,269</b> |

Management judgement considered in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income for the period over which deferred income tax assets will be recovered.

| B) Amounts recognised in Statement of Profit and Loss                             | For the year            | For the year            |
|---|-------------------------|-------------------------|
|   | ended 31.03.2022        | ended 31.03.2021        |
| a. Current Year Income Tax  | -                       | 12,79,680               |
| b. Deferred tax charge /(credit)  | 12,02,903               | (2,92,457)              |
| <b>Tax Expense for the year</b>   | <b>12,02,903</b>        | <b>9,87,223</b>         |
| <b>C) Reconciliation of Tax Expense</b>   | <b>For the year</b>     | <b>For the year</b>     |
|   | <b>ended 31.03.2022</b> | <b>ended 31.03.2021</b> |
| Profit/(Loss) Before Tax  | (1,97,80,654)           | 35,35,009               |
| Applicable Tax Rate   | 25.17%                  | 25.17%                  |
| Computed Tax Expense  | -                       | 8,89,691                |
| Add/(less):   |                         |                         |
| Tax effect of Expenses Disallowed   | -                       | 7,21,553                |
| Adjustments for Ind AS  | -                       | (3,31,565)              |
| <b>Current Tax Provision (i)</b>  | <b>-</b>                | <b>12,79,679</b>        |
| Incremental Deferred Tax Credit on account of Tangible and Intangible Assets      | (5,40,597)              | (97,158)                |
| Incremental Deferred Tax Charge/ (Credit) on account of Other Assets/ Liabilities | 17,43,500               | (1,95,299)              |
| <b>Deferred tax charge/ (credit) (ii)</b>   | <b>12,02,903</b>        | <b>(2,92,457)</b>       |
| <b>Income Tax Expenses (i+ii)</b>   | <b>12,02,903</b>        | <b>9,87,222</b>         |

**8. Other Non Current Assets**

| Particulars   | As at            |                    |
|---|------------------|--------------------|
|   | 31.03.2022       | 31.03.2021         |
| Unsecured, considered good  |                  |                    |
| Advances other than Capital Advances                                |                  |                    |
| Balances with Government Authorities                                | 92,45,551        | 1,76,14,907        |
| Advances recoverable in cash or in kind or for value to be received | 5,728            | 5,728              |
| Prepaid Expenses  | 2,55,817         | 97,714             |
| <b>Total</b>  | <b>95,07,096</b> | <b>1,77,18,349</b> |



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**Notes on Accounts for the year ended 31.03.2022**

(Amounts in ₹)

**9. Inventories**

| Particulars              | As at              |                    |
|--------------------------|--------------------|--------------------|
|                          | 31.03.2022         | 31.03.2021         |
| Stock of Components      | 3,19,15,985        | 3,19,05,305        |
| Less: Loss of Impairment | (51,46,142)        | -                  |
| <b>Total</b>             | <b>2,67,69,843</b> | <b>3,19,05,305</b> |

**10. Trade Receivables**

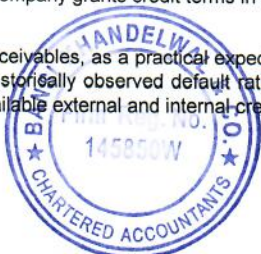
| Particulars  | As at              |                    |
|--|--------------------|--------------------|
|  | 31.03.2022         | 31.03.2021         |
| (Unsecured and Considered good unless otherwise mentioned) |                    |                    |
| Considered Good  | 1,22,60,002        | 2,06,84,562        |
| Considered Doubtful  | -                  | -                  |
| Less : Provision for Doubtful Receivables                  | -                  | -                  |
| <b>Total</b>   | <b>1,22,60,002</b> | <b>2,06,84,562</b> |

| Particulars   | Outstanding for following periods from due date of payment |                  |                    |                  |                 |           | Total              |
|---|--|------------------|--------------------|------------------|-----------------|-----------|--------------------|
|   | Not Due  | < 6 Months       | 6 Months to 1 Year | 1 to 2 Years     | 2 to 3 Years    | > 3 Years |                    |
| Undisputed Trade Receivables - Considered good                                | 15,10,388  | 11,71,103        | 33,14,412          | 60,05,406        | 2,58,693        | -         | 1,22,60,002        |
| Undisputed Trade Receivables - Which have significant increase in credit risk | -  | -                | -                  | -                | -               | -         | -                  |
| Undisputed Trade Receivables - Credit Impaired                                | -  | -                | -                  | -                | -               | -         | -                  |
| Disputed Trade Receivables - Considered good                                  | -  | -                | -                  | -                | -               | -         | -                  |
| Disputed Trade Receivables - Which have significant increase in credit risk   | -  | -                | -                  | -                | -               | -         | -                  |
| Disputed Trade Receivables - Credit Impaired                                  | -  | -                | -                  | -                | -               | -         | -                  |
|   | <b>15,10,388</b>   | <b>11,71,103</b> | <b>33,14,412</b>   | <b>60,05,406</b> | <b>2,58,693</b> | <b>-</b>  | <b>1,22,60,002</b> |
| Less : Allowance for doubtful trade receivables - Billed                      | -  | -                | -                  | -                | -               | -         | -                  |
| <b>Total Trade Receivable-Billed</b>  |  |                  |                    |                  |                 |           | <b>1,22,60,002</b> |
| Unbilled Revenue (refer note 12)  |  |                  |                    |                  |                 |           | -                  |

| Particulars   | Outstanding for following periods from due date of payment |                    |                    |                 |              |           | Total              |
|---|--|--------------------|--------------------|-----------------|--------------|-----------|--------------------|
|   | Not Due  | < 6 Months         | 6 Months to 1 Year | 1 to 2 Years    | 2 to 3 Years | > 3 Years |                    |
| Undisputed Trade Receivables - Considered good                                | 54,23,694  | 1,45,10,045        | 4,10,827           | 3,39,996        | -            | -         | 2,06,84,562        |
| Undisputed Trade Receivables - Which have significant increase in credit risk | -  | -                  | -                  | -               | -            | -         | -                  |
| Undisputed Trade Receivables - Credit Impaired                                | -  | -                  | -                  | -               | -            | -         | -                  |
| Disputed Trade Receivables - Considered good                                  | -  | -                  | -                  | -               | -            | -         | -                  |
| Disputed Trade Receivables - Which have significant increase in credit risk   | -  | -                  | -                  | -               | -            | -         | -                  |
| Disputed Trade Receivables - Credit Impaired                                  | -  | -                  | -                  | -               | -            | -         | -                  |
|   | <b>54,23,694</b>   | <b>1,45,10,045</b> | <b>4,10,827</b>    | <b>3,39,996</b> | <b>-</b>     | <b>-</b>  | <b>2,06,84,562</b> |
| Less : Allowance for doubtful trade receivables - Billed                      |  |                    |                    |                 |              |           |                    |
| <b>Total Trade Receivable-Billed</b>  |  |                    |                    |                 |              |           | <b>2,06,84,562</b> |
| Unbilled Revenue (refer note 12)  |  |                    |                    |                 |              |           | <b>27,96,837</b>   |

Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in Singapore and USA. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

For trade receivables, as a practical expedient, the company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates and also takes into account available external and internal credit risk factors.



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**Notes on Accounts for the year ended 31.03.2022**

(Amounts in ₹)

| Movement in expected credit loss allowance on trade receivables | As at      |            |
|---|------------|------------|
|   | 31.03.2022 | 31.03.2021 |
| Balance at the beginning of the year                            | -          | -          |
| Loss allowance measured at lifetime expected credit losses      | -          | -          |
| Balance at the end of the year                                  | -          | -          |

| Particulars                                      | As at              |                    |
|--|--------------------|--------------------|
|  | 31.03.2022         | 31.03.2021         |
| Financial assets - Neither past due nor impaired | 1,12,14,699        | 1,60,93,241        |
| Financial assets - Past due but not impaired     | 31,18,263          | 98,24,794          |
| Financial assets - Past due and impaired         | -                  | -                  |
| <b>Total</b>                                     | <b>1,43,32,962</b> | <b>2,59,18,035</b> |

**11. Cash & Cash Equivalents**

| Particulars                       | As at           |                 |
|-----------------------------------|-----------------|-----------------|
|                                   | 31.03.2022      | 31.03.2021      |
| Bank Balance with Current Account | 6,61,996        | 7,40,694        |
| Cash in Hand                      | 11,207          | 769             |
| <b>Total</b>                      | <b>6,73,203</b> | <b>7,41,463</b> |

**12. Other Financial Assets**

| Particulars  | As at            |                  |
|--|------------------|------------------|
|  | 31.03.2022       | 31.03.2021       |
| (Unsecured, considered good)                           |                  |                  |
| Unbilled Revenue                                       | -                | 27,96,837        |
| Advance Received from Related Party (Refer Note 30(b)) | 12,30,303        | 12,30,303        |
| Security Deposits                                      | 3,77,572         | 20,221           |
| GST Refund Receivable                                  | -                | 3,53,738         |
| <b>Total</b>   | <b>16,07,875</b> | <b>44,01,099</b> |

**13. Other Current Assets**

| Particulars                  | As at            |                  |
|------------------------------|------------------|------------------|
|                              | 31.03.2022       | 31.03.2021       |
| (Unsecured, considered good) |                  |                  |
| Other Receivable             | 22,61,396        | 21,54,660        |
| Prepaid Expenses             | 1,37,581         | 2,06,507         |
| <b>Total</b>                 | <b>23,98,977</b> | <b>23,61,167</b> |



**Notes on Accounts for the year ended 31.03.2022**

**14. Equity Share Capital**

(Amounts in ₹)

The authorised, issued, subscribed and fully paid-up share capital comprises of equity shares having a par value of Rs.100/- each as follows:

| Share Capital                         | As at March 31, 2022 |                  | As at March 31, 2021 |                  |
|---------------------------------------|----------------------|------------------|----------------------|------------------|
|                                       | Number               | ₹                | Number               | ₹                |
| <b>Authorised</b>                     |                      |                  |                      |                  |
| Equity Shares of Rs.100/- each        | 21,000               | 21,00,000        | 21,000               | 21,00,000        |
| <b>Issued</b>                         |                      |                  |                      |                  |
| Equity Shares of Rs.100/- each        | 20,780               | 20,78,000        | 20,780               | 20,78,000        |
| <b>Subscribed &amp; fully Paid up</b> |                      |                  |                      |                  |
| Equity Shares of Rs.100/- each        | 20,780               | 20,78,000        | 20,780               | 20,78,000        |
| <b>Total</b>                          | <b>20,780</b>        | <b>20,78,000</b> | <b>20,780</b>        | <b>20,78,000</b> |

**14.1 Rights, preferences and restrictions attached to shares**

**Equity Shares**

The Company has equity shares having a par value of Rs.100/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**14.2 Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period**

The reconciliation of the shares outstanding and the amount of share capital as at March 31, 2022 and March 31, 2021 is set out below.

| Particulars                               | As at March 31, 2022 |                  | As at March 31, 2021 |                  |
|---|----------------------|------------------|----------------------|------------------|
|   | Number               | ₹                | Number               | ₹                |
| <b>Equity shares</b>                      |                      |                  |                      |                  |
| Outstanding at the beginning of the year  | 20,780               | 20,78,000        | 20,780               | 20,78,000        |
| Shares Issued during the year             | -                    | -                | -                    | -                |
| Shares bought back during the year        | -                    | -                | -                    | -                |
| Any other movement                        | -                    | -                | -                    | -                |
| <b>Outstanding at the end of the year</b> | <b>20,780</b>        | <b>20,78,000</b> | <b>20,780</b>        | <b>20,78,000</b> |

**14.3 Details of shareholder having more than 5% shareholding in the Company**

| Particulars                 | As at March 31, 2022 |                | As at March 31, 2021 |                |
|-----------------------------|----------------------|----------------|----------------------|----------------|
|                             | No. of Shares held   | % of Holding   | No. of Shares held   | % of Holding   |
| <b>Equity Shares</b>        |                      |                |                      |                |
| Bipin Krishna K             | 3,338                | 16.06%         | 3,338                | 16.06%         |
| Awad Mohammed Hamza         | 3,337                | 16.06%         | 3,337                | 16.06%         |
| Chandra Babu                | 3,507                | 16.88%         | 3,507                | 16.88%         |
| Aurionpro Solutions Limited | 10,598               | 51.00%         | 10,598               | 51.00%         |
| <b>Total</b>                | <b>20,780</b>        | <b>100.00%</b> | <b>20,780</b>        | <b>100.00%</b> |

**14.4. Shares held by Holding company, its subsidiaries, Associates or ultimate holding company**

| Particulars                 | Nature of Relationship | As at 31.03.2022 | As at 31.03.2021 |
|-----------------------------|------------------------|------------------|------------------|
| Aurionpro Solutions Limited | Holding Co.            | 10,598           | 10,598           |

**14.4. Disclosure of Shareholding of Promoters/ Promoter Group in Equity Shares as follow:**

| Name of Promoter/ Promoter Group * | Equity Shares Held by |                   | Equity Shares Held by |                   | % Change during the year |
|------------------------------------|-----------------------|-------------------|-----------------------|-------------------|--------------------------|
|                                    | As At Mar 31, 2022    |                   | As At Mar 31, 2021    |                   |                          |
|                                    | Number of S+A33hares  | % of Total Shares | Number of Shares      | % of Total Shares |                          |
| Bipin Krishna K                    | 3,338                 | 16.06%            | 3,338                 | 16.06%            | -                        |
| Awad Mohammed Hamza                | 3,337                 | 16.06%            | 3,337                 | 16.06%            | -                        |
| Chandra Babu                       | 3,507                 | 16.88%            | 3,507                 | 16.88%            | -                        |
| Aurionpro Solutions Limited        | 10,598                | 51.00%            | 10,598                | 51.00%            | -                        |
| <b>Total</b>                       | <b>20,780</b>         | <b>100.00%</b>    | <b>20,780</b>         | <b>100.00%</b>    |                          |



**Notes on Accounts for the year ended 31.03.2022**

**15. Other Equity**

(Amounts in ₹)

| Particulars                             | As at                |                      |
|---|----------------------|----------------------|
|   | 31.03.2022           | 31.03.2021           |
| <b>(a) Securities Premium</b>           |                      |                      |
| Opening balance                         |                      | 1,00,44,048          |
| (+) Additions/(Deductions) for the year | 1,00,44,048          | 1,00,44,048          |
| <b>Closing Balance</b>                  | <b>1,00,44,048</b>   | <b>1,00,44,048</b>   |
| <b>(b) Retained Earnings</b>            |                      |                      |
| Opening balance                         |                      | (1,47,54,777)        |
| (+) Add: Profit for the year            | (1,32,27,686)        | 15,27,091            |
| <b>Closing Balance</b>                  | <b>(3,79,49,320)</b> | <b>(1,32,27,686)</b> |
| <b>(c) Other Comprehensive Income</b>   |                      |                      |
| Opening balance                         |                      | 3,98,782             |
| (+) Add: Profit for the year            | 16,84,858            | 12,86,076            |
| <b>Closing Balance</b>                  | <b>54,22,936</b>     | <b>16,84,858</b>     |
| <b>Total</b>                            | <b>(2,24,82,336)</b> | <b>(14,98,780)</b>   |

**(a) Securities Premium Reserve**

Securities Premium Reserve is used to record premium on issuance of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013

**(b) Retained Earnings**

(i) Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(ii) Retained earnings includes State Investment Subsidy amounting to Rs. 15,00,000/- received by the company during the financial year 2014-15 from the Government of Kerala for commencing commercial operation in the state of Kerala.

**(c) Other Comprehensive Income**

Other Comprehensive Income refers to items of income and expenses that are not recognised as a part of the profit and loss account.

**16. Lease Liabilities - Non Current**

| Particulars              | As at            |                  |
|--------------------------|------------------|------------------|
|                          | 31.03.2022       | 31.03.2021       |
| <b>Lease Liabilities</b> | 39,61,962        | 46,91,337        |
| <b>Total</b>             | <b>39,61,962</b> | <b>46,91,337</b> |

**17. Provisions - Non Current**

| Particulars                                     | As at               |                  |
|---|---------------------|------------------|
|   | 31.03.2022          | 31.03.2021       |
| Provision for Gratuity Unfunded (Refer Note 34) | 22,73,581           | 45,03,981        |
| <b>Total</b>                                    | <b>22,73,581.00</b> | <b>45,03,981</b> |

**18. Lease Liabilities - Current**

| Particulars              | As at           |                 |
|--------------------------|-----------------|-----------------|
|                          | 31.03.2022      | 31.03.2021      |
| <b>Lease Liabilities</b> | 7,29,375        | 9,28,648        |
| <b>Total</b>             | <b>7,29,375</b> | <b>9,28,648</b> |



**Notes on Accounts for the year ended 31.03.2022**

**19. Trade Payables**

(Amounts in ₹)

| Particulars  | As at                 |                         |
|--|-----------------------|-------------------------|
|  | 31.03.2022            | 31.03.2021              |
| Trade Payables for Goods and Services:<br>- Due to Micro and Small Enterprises<br>- Due to Others {Refer Note 30(b)} | 91,064<br>6,09,17,797 | 4,98,713<br>6,22,73,357 |
| <b>Total</b>   | <b>6,10,08,861</b>    | <b>6,27,72,070</b>      |

**Ageing of Trade Payables as on March 31, 2022**

| Particulars                 | Outstanding for following periods from due date of payment |                 |              |                    |                 | Total              |
|-----------------------------|--|-----------------|--------------|--------------------|-----------------|--------------------|
|                             | Not Due  | < 1 Year        | 1-2 Years    | 2-3 Years          | > 3 Years       |                    |
| (i) MSME                    | 85,700   | 2,682           | 2,682        | -                  | -               | 91,064             |
| (ii) Others                 | 3,13,364   | 4,65,408        | -            | 5,99,40,377        | 1,98,648        | 6,09,17,797        |
| (iii) Disputed Dues - MSME  | -  | -               | -            | -                  | -               | -                  |
| (iv) Disputed Dues - Others | -  | -               | -            | -                  | -               | -                  |
| <b>Total</b>                | <b>3,99,064</b>  | <b>4,68,090</b> | <b>2,682</b> | <b>5,99,40,377</b> | <b>1,98,648</b> | <b>6,10,08,861</b> |

**Ageing of Trade Payables as on March 31, 2021**

| Particulars                 | Outstanding for following periods from due date of payment |                  |               |                    |                 | Total              |
|-----------------------------|--|------------------|---------------|--------------------|-----------------|--------------------|
|                             | Not Due  | < 1 Year         | 1-2 Years     | 2-3 Years          | > 3 Years       |                    |
| (i) MSME                    | 90,917   | 4,07,796         | -             | -                  | -               | 4,98,713           |
| (ii) Others                 | 12,46,288  | 20,32,230        | 96,587        | 5,86,99,605        | 1,98,647        | 6,22,73,357        |
| (iii) Disputed Dues - MSME  | -  | -                | -             | -                  | -               | -                  |
| (iv) Disputed Dues - Others | -  | -                | -             | -                  | -               | -                  |
| <b>Total</b>                | <b>13,37,205</b>   | <b>24,40,026</b> | <b>96,587</b> | <b>5,86,99,605</b> | <b>1,98,647</b> | <b>6,27,72,070</b> |

**19.1 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)**

Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (as amended)

|   | As at      |            |
|---|------------|------------|
|   | 31.03.2022 | 31.03.2021 |
| i) Principal due to suppliers at the year end   | 91,064     | 4,98,713   |
| ii) Interest due on principal amount unpaid at the year end to any supplier   | -          | -          |
| iii) Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year            | -          | -          |
| iv) Amount of Interest due and payable for the period of delay in making payment, which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED | -          | -          |
| v) Amount of interest accrued and remaining unpaid  | -          | -          |
| vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises   | -          | -          |

Note: Identification of micro and small enterprises is basis intimation received from vendors

**20. Other Financial Liabilities - Current**

| Particulars                                   | As at              |                  |
|---|--------------------|------------------|
|   | 31.03.2022         | 31.03.2021       |
| Share Application Money Pending Refund        | 6,288              | 6,288            |
| Advance to Related Parties {Refer Note 30(b)} | 83,52,148          | 68,04,677        |
| Provision for Expenses                        | 4,79,611           | -                |
| Employee Payables                             | 1,96,351           | 9,20,800         |
| Others Payable                                | 10,63,516          | -                |
| <b>Total</b>                                  | <b>1,00,97,914</b> | <b>77,31,765</b> |

**21. Other Current Liabilities**

| Particulars                                   | As at           |                  |
|---|-----------------|------------------|
|   | 31.03.2022      | 31.03.2021       |
| Income Received in Advance {Refer Note 30(b)} | -               | 6,70,729         |
| Statutory Dues Payable                        | 2,14,720        | 3,35,692         |
| <b>Total</b>                                  | <b>2,14,720</b> | <b>10,06,421</b> |

**22. Provisions**

| Particulars                     | As at      |                  |
|---------------------------------|------------|------------------|
|                                 | 31.03.2022 | 31.03.2021       |
| Provision for Employee Benefits | -          | 37,94,928        |
| <b>Total</b>                    | <b>-</b>   | <b>37,94,928</b> |





**Notes on Accounts for the year ended 31.03.2022**

**23. Revenue from Operation**

(Amounts in ₹)

| Particulars     | For the year ended | For the year ended |
|-----------------|--------------------|--------------------|
|                 | 31.03.2022         | 31.03.2021         |
| Sale of Service | 2,56,18,625        | 6,13,57,004        |
| Sale of Goods   | 3,43,195           | 2,77,34,127        |
| <b>Total</b>    | <b>2,59,61,820</b> | <b>8,90,91,131</b> |

**23.1 Disaggregate Revenue Information**

| Particulars                                      | For the year ended | For the year ended |
|--|--------------------|--------------------|
|  | 31.03.2022         | 31.03.2021         |
| <b>(i) Product and Service wise</b>              |                    |                    |
| Information Technologies and Consultancy Service | 2,56,18,625        | 6,13,57,004        |
| Sale of Equipments                               | 3,43,195           | 2,77,34,127        |
|  | <b>2,59,61,820</b> | <b>8,90,91,131</b> |
| <b>(ii) Geography wise</b>                       |                    |                    |
| United States Region                             | 1,24,47,676        | 1,21,36,862        |
| Singapore Region                                 | 14,19,969          | 4,00,03,746        |
| India Region                                     | 40,58,603          | 2,81,47,427        |
| Other Regions                                    | 80,35,572          | 88,03,096          |
|  | <b>2,59,61,820</b> | <b>8,90,91,131</b> |
| <b>(iii) Information about major Customers</b>   |                    |                    |
| No of Customers exceeding 10% of total Revenue   | 2                  | 3                  |
| Total amount of Revenue from Customer 1          | 58,67,353          | 4,00,03,746        |
| Total amount of Revenue from Customer 2          | 27,26,988          | 2,24,47,258        |
| Total amount of Revenue from Customer 3          | -                  | 52,86,870          |

**24. Other Income**

| Particulars                            | For the year ended | For the year ended |
|--|--------------------|--------------------|
|  | 31.03.2022         | 31.03.2021         |
| Interest Income from Security Deposits | 20,754             | 40,114             |
| Miscellaneous Income                   | 30,004             | 5,55,235           |
| Excess Provisions Written Back         | -                  | 1,30,459           |
| <b>Total</b>                           | <b>50,758</b>      | <b>7,25,808</b>    |

**25. Purchase of Stock in Trade**

| Particulars                           | For the year ended | For the year ended |
|---------------------------------------|--------------------|--------------------|
|                                       | 31.03.2022         | 31.03.2021         |
| Purchase of Component (Refer Note 32) | 17,833             | 1,93,68,513        |
| Other Direct Expenses                 | 15,358             | 29,25,861          |
| <b>Total</b>                          | <b>33,191</b>      | <b>2,22,94,374</b> |

**26. Change in Inventories**

| Particulars                  | For the year ended | For the year ended |
|------------------------------|--------------------|--------------------|
|                              | 31.03.2022         | 31.03.2021         |
| <b>Opening Inventory</b>     |                    |                    |
| Stock of Components          | 3,19,05,305        | 2,64,92,351        |
| <b>Total</b>                 | <b>3,19,05,305</b> | <b>2,64,92,351</b> |
| <b>Closing Inventory</b>     |                    |                    |
| Stock of Components          | 3,19,15,985        | 3,19,06,305        |
| <b>Total</b>                 | <b>3,19,15,985</b> | <b>3,19,06,305</b> |
| <b>Change in Inventories</b> | <b>(10,680)</b>    | <b>(54,12,954)</b> |



**27. Employee Benefit Expenses**

(Amounts in ₹)

| Particulars                                | For the year ended | For the year ended |
|--|--------------------|--------------------|
|  | 31.03.2022         | 31.03.2021         |
| Salaries and Incentives {Refer Note 30(b)} | 2,82,44,424        | 4,60,17,482        |
| Contributions to Provident and other funds | 15,01,758          | 20,78,786          |
| Staff Welfare Expenses                     | 4,47,063           | 4,30,942           |
| Staff Recruitment & Training Expenses      | 8,951              | 25,089             |
| Gratuity                                   | 15,07,678          | 18,84,235          |
| <b>Total</b>                               | <b>3,17,09,874</b> | <b>5,04,36,534</b> |

**28. Finance Cost**

| Particulars                     | For the year ended | For the year ended |
|---------------------------------|--------------------|--------------------|
|                                 | 31.03.2022         | 31.03.2021         |
| Interest on Loan/LC Discounting | -                  | 4,39,379           |
| Interest on others              | 9,700              | 6,243              |
| Interest on Lease Liability     | 5,11,056           | 6,35,473           |
| <b>Total</b>                    | <b>5,20,756</b>    | <b>10,81,095</b>   |

**29. Other Expenses**

| Particulars                       | For the year ended | For the year ended |
|-----------------------------------|--------------------|--------------------|
|                                   | 31.03.2022         | 31.03.2021         |
| Communication Expenses            | 5,82,052           | 15,74,060          |
| Software Expenses                 | 8,28,183           | 9,75,160           |
| Foreign Exchange Fluctuation Loss | 9,20,549           | 21,91,304          |
| Loss on Impairment of Inventory   | 51,46,142          | -                  |
| Power Charges                     | 1,64,024           | 2,07,901           |
| Professional Charges              | 20,55,408          | 20,52,837          |
| Rent                              | 5,26,566           | 4,19,430           |
| Repairs & Maintenance - Building  | 3,58,110           | 3,44,891           |
| Repairs & Maintenance - Machinery | 67,170             | 2,12,027           |
| Repairs & Maintenance - Others    | 94,572             | 1,05,095           |
| Sundry Balances Written Off       | 1,250              | 86,186             |
| Travelling Expenses               | 26,19,466          | 36,09,496          |
| Other Miscellaneous Expenses      | 15,46,591          | 43,64,760          |
| <b>Total</b>                      | <b>1,49,10,083</b> | <b>1,61,43,147</b> |

**30. Related Party Disclosure****(a) List of Related Parties**

| Name of Related Party                 | Relationship        |
|---------------------------------------|---------------------|
| Aurionpro Solutions Limited           | Holding Company     |
| Aurionpro Transit Solutions Pvt Ltd   | Fellow Subsidiary   |
| Aurionpro Payment Solutions Pvt. Ltd. | Fellow Subsidiary   |
| SC Soft Pte Ltd                       | Fellow Subsidiary   |
| Aurionpro Fintech Inc, USA            | Other Related Party |
| Awad Mohammed Hamza                   | Director            |
| Shahina Ikhbal                        | Spouse of Director  |
| Sanjay Bharat Bali                    | Director            |
| Bipin Krishna                         | Director            |
| Lakshmi J.S                           | Spouse of Director  |



**30. Related Party Disclosure (Contd.)**

b) Transaction with Related Parties and Outstanding Balance :

(Amounts in ₹)

| Particulars                                     | For the year ended |                   |
|---|--------------------|-------------------|
|   | 31.03.2022         | 31.03.2021        |
| <b>(i) Revenue from Operation</b>               |                    |                   |
| Aurionpro Solutions Limited                     | 13,86,095          | 52,86,870         |
| SC Soft Pte Ltd                                 | 39,89,040          | 4,00,03,746       |
| Aurionpro Payment Solutions Pvt. Ltd.           | 9,34,500           | -                 |
| Aurionpro Fintech Inc, USA                      | 10,30,714          | -                 |
| <b>(ii) Managerial Remuneration</b>             |                    |                   |
| Awad Mohammed Hamza                             | 31,22,832          | 19,60,022         |
| Bipin Krishna                                   | -                  | 1,72,335          |
| <b>(iii) Other Expenses</b>                     |                    |                   |
| Aurionpro Solutions Limited                     | 7,56,886           | -                 |
| Shahina Ikhbal                                  | 15,75,000          | 15,75,000         |
| Lakshmi J.S                                     | -                  | 3,67,500          |
|   |                    |                   |
|   |                    | <b>As at</b>      |
| <b>(iv) Other Financial Liabilities-Current</b> | <b>31.03.2022</b>  | <b>31.03.2021</b> |
| Awad Mohammed Hamza                             | 8,71,800           | 12,41,161         |
| Bipin Krishna                                   | 9,41,016           | 9,13,797          |
| Shahina Iqbal                                   | 1,22,500           | 1,22,500          |
| SC Soft Pte Ltd.                                | -                  | 2,50,914          |
| Aurionpro Solutions Ltd                         | 83,52,148          | 31,33,414         |
| <b>(v) Other Financial Assets-Current</b>       |                    |                   |
| <b>Due from Related Party</b>                   |                    |                   |
| SC Soft Pte Ltd.                                | 12,30,303          | 12,30,303         |
| <b>(vi) Trade Payables</b>                      |                    |                   |
| SC Soft Pte Ltd                                 | 5,55,92,034        | 5,42,67,686       |
| <b>(vii) Trade Receivables</b>                  |                    |                   |
| SC Soft Pte. Ltd                                | 93,88,207          | 1,51,45,143       |
| Aurionpro Payment Solutions Private Limited     | 2,43,000           | -                 |
| Aurionpro Fintech Inc, USA                      | 3,77,600           | -                 |
| <b>(viii) Non Current Investment</b>            |                    |                   |
| Aurionpro Transit Solutions Pvt Ltd             | 35,000             | -                 |

Note :Some of the key management personnel of the Company are also covered under the Company's Gratuity Plan along with the other employees of the Company. Proportionate amount of gratuity accrued under the Company's Gratuity Plan have not been separately included in the above disclosure.

**31. Earnings in Foreign Currency**

| Particulars                | For the period ended |                    |
|----------------------------|----------------------|--------------------|
|                            | 31.03.2022           | 31.03.2021         |
| Sale of Goods and Services | 2,26,33,309          | 5,81,76,887        |
| <b>Total</b>               | <b>2,26,33,309</b>   | <b>5,81,76,887</b> |

**32. Expenditure in Foreign Currency**

| Particulars                 | For the period ended |                    |
|-----------------------------|----------------------|--------------------|
|                             | 31.03.2022           | 31.03.2021         |
| Travelling Expense & Others | -                    | 2,99,827           |
| Imported Material           | 17,833               | 1,06,49,533        |
| <b>Total</b>                | <b>17,833</b>        | <b>1,09,49,360</b> |



**SCSOFT TECHNOLOGIES PRIVATE LIMITED**

(CIN : U72200KL2010PTC025477)

Ground Floor, Carnival Building, Technopark, Karyavattom P O, Trivandrum - 695581

**Significant Accounting Policies & Notes on Accounts for the year ended 31.03.2022**

**33. Employee Benefits**

(Amounts in ₹)

Additional information pursuant to the provisions of Ind AS - 19 "Employee Benefits"

The liability for Gratuity to employees as at the Balance Sheet date is determined on the basis of actuarial valuation based on Projected Unit Credit Actuarial Method. Details are as follows:

| Change in Benefit Obligation  | Gratuity (Unfunded) |                  |
|---|---------------------|------------------|
|   | 31.03.2022          | 31.03.2021       |
| Projected benefit obligation at the beginning of year   | 45,03,981           | 36,91,516        |
| Current service cost  | 11,69,879           | 15,49,274        |
| Interest cost   | 3,37,799            | 3,34,961         |
| Contributions by plan participation   | Nil                 | Nil              |
| Actuarial Gain/(Loss) due to change in assumptions  | (37,38,078)         | (10,20,695)      |
| Foreign currency exchange rate changes on plans measured in a currency different from the enterprise's reporting currency | Nil                 | Nil              |
| Benefits paid   | -                   | (51,075)         |
| Past service cost   | Nil                 | Nil              |
| Amalgamations   | Nil                 | Nil              |
| Curtailments  | Nil                 | Nil              |
| Settlements   | Nil                 | Nil              |
| <b>Projected benefit obligation at the end of the year</b>  | <b>22,73,581</b>    | <b>45,03,981</b> |

| Plan asset at fair value  | Gratuity (Unfunded) |            |
|---|---------------------|------------|
|   | 31.03.2022          | 31.03.2021 |
| Plan asset at the beginning of year   | Nil                 | Nil        |
| Foreign currency exchange rate changes on plans measured in a currency different from the enterprise's reporting currency | Nil                 | Nil        |
| Expected return on Plan Asset   | Nil                 | Nil        |
| Employer Contribution   | Nil                 | Nil        |
| Employee Contribution   | Nil                 | Nil        |
| Benefit payments  | Nil                 | Nil        |
| Asset Gain / (Loss)   | Nil                 | Nil        |
| Amalgamations   | Nil                 | Nil        |
| Settlements   | Nil                 | Nil        |
| Ending Asset  | Nil                 | Nil        |
| <b>Total Actuarial Gain/ (Loss) to be recognized immediately</b>  | <b>Nil</b>          | <b>Nil</b> |

| Amounts to be recognized in the Balance Sheet                  | Gratuity (Unfunded) |                    |
|--|---------------------|--------------------|
|  | 31.03.2022          | 31.03.2021         |
| Projected benefit obligation at the end of year                | 22,73,581           | 45,03,981          |
| Ending Asset   | Nil                 | Nil                |
| Funded status asset / (liability)                              | (22,73,581)         | (45,03,981)        |
| Unrecognized past service cost – non vested benefits           | Nil                 | Nil                |
| <b>Liability (-) Asset (+) recognized in the Balance sheet</b> | <b>(22,73,581)</b>  | <b>(45,03,981)</b> |

| Expense recognized in the Profit or Loss Statement                              | Gratuity (Unfunded) |                  |
|---|---------------------|------------------|
|   | 31.03.2022          | 31.03.2021       |
| Current service cost  | 11,69,879           | 15,49,274        |
| Interest Cost   | 3,37,799            | 3,34,961         |
| Expected return on Plan Asset   | Nil                 | Nil              |
| Past service cost   | Nil                 | Nil              |
| Effect of curtailments  | Nil                 | Nil              |
| <b>Income(-) / Expenses(+) recognized in the statement of Profit &amp; Loss</b> | <b>15,07,678</b>    | <b>18,84,235</b> |

| Amount Recognised in Other Comprehensive Income                         | Gratuity (Unfunded) |                    |
|---|---------------------|--------------------|
|   | 31.03.2022          | 31.03.2021         |
| Net Actuarial Gain / (Loss) recognized in the year                      | (37,38,078)         | (10,20,695)        |
| Expected return on Plan Asset   | Nil                 | Nil                |
| <b>Income(-) / Expenses(+) recognized in Other Comprehensive Income</b> | <b>(37,38,078)</b>  | <b>(10,20,695)</b> |



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| Actuarial Assumptions                       | Gratuity (Unfunded) |            |
|---|---------------------|------------|
|   | 31.03.2022          | 31.03.2021 |
| Number of Employees                         | 40                  | 81         |
| Superannuation Age                          | 65                  | 65         |
| Average Salary (in `)                       | 40,988              | 40,897     |
| Average Benefit per head outstanding (in `) | Nil                 | Nil        |
| Average Past Service                        | 2.580               | 1.961      |
| Average Age                                 | 29.72               | 29.13      |
| Discount Rate Current                       | 7.33%               | 7.50%      |
| Salary Escalation Current                   | 5.00%               | 5.00%      |

**Sensitivity Analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| Particulars                           | Gratuity (Unfunded) |             |
|---------------------------------------|---------------------|-------------|
|                                       | 31.03.2022          | 31.03.2021  |
| Discount rate (+1% movement)          | 22,73,581           | 35,03,208   |
| Discount rate (-1% movement)          | 19,58,390           | 58,40,397   |
| Future salary growth (+1% movement)   | 26,72,461           | 55,24,941   |
| Future salary growth (-1% movement)   | 25,28,297           | 37,10,232   |
| Employee turnover (+1% movement)      | 23,87,148           | 51,42,044   |
| Employee turnover (-1% movement)      | 21,49,755           | 4,50,398    |
| Undiscounted Cash Flow over the years | 1,02,57,803         | 3,85,90,794 |

**34. Segment Information**

The Company has identified and disclosed segment information, as "Information Technologies and Consultancy Services" and "Sale of Equipments". The operating segment has been identified and reported taking into account its internal financial reporting, performance evaluation and organisational structure by geographical locations of its operations, where its service rendering activities are based. Operating Segment is reported in the manner evaluated by Board, considered as Chief Operating Decision Maker under Ind AS 108 "Operating Segment". The accounting policies adopted for segment reporting are in line with the accounting policy of the Company.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses, which relate to the company as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

| Particulars   | For the year ended<br>31.03.2022 | For the year ended<br>31.03.2021 |
|---|----------------------------------|----------------------------------|
| <b>Segment Revenue</b>                                |                                  |                                  |
| (a) Information Technologies and Consultancy Services | 2,56,18,625                      | 6,13,57,004                      |
| (b) Sale of Equipments                                | 3,43,195                         | 2,77,34,127                      |
| <b>Total Revenue from Operations (a+b)</b>            | <b>2,59,61,820</b>               | <b>8,90,91,131</b>               |
| <b>Segment Results</b>                                |                                  |                                  |
| (a) Information Technologies and Consultancy Services | 85,36,233                        | 4,57,93,844                      |
| (b) Sale of Equipments                                | (1,64,60,798)                    | (2,43,22,471)                    |
| <b>Total (a+b)</b>                                    | <b>(79,24,565)</b>               | <b>2,14,71,373</b>               |
| Less: Unallocable Expenses                            |                                  |                                  |
| Employee Benefit Expense                              | (75,12,902)                      | (84,72,071)                      |
| Finance Costs   | (7,99,232)                       | (6,41,716)                       |
| Depreciation and Amortization Expense                 | (23,69,263)                      | (25,21,807)                      |
| Other Expenses  | (49,33,522)                      | (87,78,677)                      |
| Add: Unallocable Income                               | 20,754                           | 14,57,211                        |
| <b>Total Profit Before Tax</b>                        | <b>(2,35,18,731)</b>             | <b>25,14,313</b>                 |

Assets & liabilities used in the Company's business are not identified to any of the reportable segment, as these are used interchangeably between segments. The Management believes that it is not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

35. Amounts mentioned in the Balance Sheet, Statement of Profit and Loss and Notes to Accounts are in Indian Rupees unless otherwise stated.

36. Inventories amounting to Rs.2,67,69,843 has been technically evaluated and valued by the management. However, it is impaired by Rs. 51,46,142 based on current cost or Net Realizable Value whichever is lower.



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37. In the opinion of the management and to the best of their knowledge and belief, the value on realisation of loans, advances and other current assets in the ordinary course of business will not be less than the amounts at which they are stated in the Balance Sheet. Debtors, Creditors and Parties accounts are subject to confirmation and reconciliation.

38. The Company has an internal control system which is adequate considering its size and operation as well as the fact that the senior management is extensively involved in the day to day activities of the business and also in the year end financial reporting process. The company has only few levels of management and few people in the accounting function limiting opportunities to segregate duties. However adequate alternative controls are in place due to close supervision by senior management including directors.

**39. Contingent Liabilities:**

The Income Tax department has raised a demand of Rs.17,90,307/- pertaining to AY 2016-17, against which the company has preferred an appeal. Pending disposal of appeal, no provision has been made in accounts. In the previous FY 2020-21, amount of Rs.358,062/- paid in this regard is shown under Other Non Current Assets. Apart from this, the refund amount of Rs.86,101 pertaining to AY 2019-20 has been adjusted against this demand. Therefore a cumulative amount of Rs.444,163 has been shown under Non Current Assets in this regard.

**40. Earning Per Share (EPS)**

| Particulars  | (Amounts in ₹)     |            |
|--|--------------------|------------|
|  | For the year ended |            |
|  | 31.03.2022         | 31.03.2021 |
| <b>Basic and Diluted EPS</b>                                     |                    |            |
| (a) Profit/(Loss) attributable to Equity Shareholders            | (2,47,21,634)      | 15,27,091  |
| (b) Weighted average number of Equity Shares (Basic and Diluted) | 20,780             | 20,780     |
| (c) Earning per Share  |                    |            |
| - Basic Earnings per Share of ₹ 100 each                         | (1,189.68)         | 73.49      |
| - Diluted Earnings per Share of Rs 100 each                      | (1,189.68)         | 73.49      |

**41. Disclosure as per Section 186 of the Companies Act, 2013:**

The details of investment, loans and guarantees under section 186 of the companies Act, 2013 read with the companies Rules, 2014 are as follows.

- The Company has made investments under Section 186 of the Act read given under note no 5
- The Company has not issued any guarantees under Section 186 of the Act read with rules issued thereunder.

**42. Lease**

**(i) Lease Liabilities**

| Details regarding the contractual maturities of Lease Liabilities as at 31.03.2022 on an undiscounted basis: | Amount (Rs)      |
|--|------------------|
| Less than one year   | 14,39,704        |
| One to five years  | 53,47,371        |
| More than five years   | 7,05,900         |
| <b>Total</b>   | <b>74,92,975</b> |

- The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
- Effective interest rate of 10% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.
- The company has not recognized right to use assets and liabilities for leases with less than 12 months of lease term on the date of initial application and Leases for which the underlying asset is of low value.

**Impact of COVID-19 on Leases:**

The Company does not foresee any large-scale contraction in demand which could result in significant downsizing of its employee base rendering the physical infrastructure redundant. The leases that the Company has entered with lessors towards properties used as work stations are long term in nature and no changes in terms of those leases are expected due to COVID-19.



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**43. Capital Management**

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

**44. Financial Instruments**

(i) All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

The fair value of investment in quoted Equity Shares, Bonds, Government Securities, Treasury Bills and Mutual Funds is measured at quoted price or NAV.

The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



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The carrying values of the financial instruments by categories were as follows:

(Amounts in ₹)

| Particulars                      | As at 31 March, 2022 |                                    | As at 31 March, 2021 |                                    |
|----------------------------------|----------------------|------------------------------------|----------------------|------------------------------------|
|                                  | Carrying Amount      | Level of input used in Level 1,2,3 | Carrying Amount      | Level of input used in Level 1,2,3 |
| <b>Financial Assets</b>          |                      |                                    |                      |                                    |
| <b>At Amortised Cost</b>         |                      |                                    |                      |                                    |
| (i) Investments                  | 35,000               | -                                  | -                    | -                                  |
| (ii) Trade Receivables           | 1,22,60,002          | -                                  | 2,34,81,399          | -                                  |
| (iii) Cash and Cash Equivalents  | 6,73,203             | -                                  | 7,41,463             | -                                  |
| (iv) Other Bank Balances         | Nil                  | -                                  | Nil                  | -                                  |
| (v) Security Deposits            | 4,65,085             | -                                  | 8,32,373             | -                                  |
| (v) Other Financial Assets       | 20,72,961            | -                                  | 24,36,635            | -                                  |
| <b>At FVTPL</b>                  | Nil                  | -                                  | Nil                  | -                                  |
| <b>At FVOCI</b>                  | Nil                  | -                                  | Nil                  | -                                  |
| <b>Financial Liabilities</b>     |                      |                                    |                      |                                    |
| <b>At Amortised Cost</b>         |                      |                                    |                      |                                    |
| (i) Borrowings                   | Nil                  | -                                  | Nil                  | -                                  |
| (ii) Lease Liabilities           | 46,91,337            | -                                  | 56,19,986            | -                                  |
| (iii) Trade Payables             | 6,10,08,861          | -                                  | 6,27,72,070          | -                                  |
| (iv) Other Financial Liabilities | 1,00,97,914          | -                                  | 77,31,765            | -                                  |
| <b>At FVTPL</b>                  | Nil                  | -                                  | Nil                  | -                                  |
| <b>At FVOCI</b>                  | Nil                  | -                                  | Nil                  | -                                  |

**(ii) Financial Risk Management**

The Company's business activities expose it to a variety of financial risks, namely market risks, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's financial liabilities comprise of trade payables and other liabilities to manage its operation and the financial assets include trade receivables, deposits, cash and bank balances, other receivables etc. arising from its operation.

(i) Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: Foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk.

**Foreign Currency Risk:** Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The carrying amounts of the Company's net foreign currency exposure denominated monetary assets and monetary liabilities at the end of the reporting period as follows:

**Foreign Currency Risk from financial instruments as of:**

| Particulars                      | As at 31 March, 2022 |                    | As at 31 March, 2021 |                    |
|----------------------------------|----------------------|--------------------|----------------------|--------------------|
|                                  | USD                  | Other Currencies   | USD                  | Other Currencies   |
| (i) Trade Receivables            | 1,60,090             | -                  | 2,67,662             | -                  |
| (ii) Trade Payables              | (1,509)              | (10,47,490)        | (2,642)              | (10,47,490)        |
| (iii) Income Received in Advance | 24,648               | -                  | 9,207                | -                  |
| <b>Total</b>                     | <b>1,83,229</b>      | <b>(10,47,490)</b> | <b>2,74,228</b>      | <b>(10,47,490)</b> |

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments as mentioned below.

|  |            |             |            |             |
|--|------------|-------------|------------|-------------|
| Impact of 2% increase in exchange rate (in INR)  | 2,76,748   | (11,96,932) | 4,13,458   | (11,05,999) |
| The figures in bracket indicate losses due to exchange fluctuation on Foreign Currency Liabilities and positive figures indicate |            |             |            |             |
| Impact of 2% decrease in exchange rate (in INR)  | (2,76,748) | 11,96,932   | (4,13,458) | 11,05,999   |

The figures in bracket indicate losses due to exchange fluctuation on Foreign Currency Assets and positive figures indicate gains due to exchange fluctuation of Foreign Currency Liabilities.





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**Interest Rate Risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

**Exposure to Interest Rate Risk**

Interest rate risk of the Company arises from borrowings. The Company endeavor to adopt a policy of ensuring that maximum of its interest rate risk exposure is at fixed rate. The Company's interest-bearing financial instruments are reported as below:

| Particulars               | (Amounts in ₹)      |                     |
|---------------------------|---------------------|---------------------|
|                           | As at<br>31.03.2022 | As at<br>31.03.2021 |
| Fixed Rate Instruments    |                     |                     |
| Financial Liabilities     | -                   | -                   |
| Financial Assets          | 6,61,996            | 7,40,694            |
| Floating Rate Instruments |                     |                     |
| Financial Liabilities     | -                   | -                   |
| Financial Assets          | -                   | -                   |

**Fair value sensitivity analysis for fixed-rate instruments**

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss. Cash flow sensitivity analysis for floating-rate instruments: Since floating-rate instruments is Nil, hence impact for the reporting period is Nil.

**Equity Price Risk**

The Company is not exposed to equity price risks because the company does not hold any equity investments.

**Commodity Risk**

The Company forecasts commodity prices and movements, Accordingly the Company is advises the procurement team on cover strategy. A robust planning and strategy ensure that Company's interests are protected despite 'volatility in commodity prices.

**Derivative Financial Instruments**

The Company does not hold any derivative financial instruments. The Company offsets financial asset and financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis or realise the asset and settle the liability simultaneously.

**Credit Risk**

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the Company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

**Trade Receivables**

Our historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

**Other Financial Assets**

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and/or domestic credit rating agencies.

**Liquidity Risk**

Liquidity risk refers to risk of financial distress or extra ordinary high financing cost arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company's objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

The tables below analyse the Company's financial liabilities into relevant maturities based on their contractual maturities for:

| Particulars                       | As at<br>31.03.2022 | Less than 1<br>year | 1-5 years | Above 5 years |
|-----------------------------------|---------------------|---------------------|-----------|---------------|
| (i) Lease Liabilities             | 46,91,337           | 14,39,704           | 53,47,371 | 7,05,900      |
| (ii) Trade Payables               | 6,10,08,861         | 6,10,08,861         | -         | -             |
| (iii) Other Financial Liabilities | 1,00,97,914         | 1,00,97,914         | -         | -             |

| Particulars                       | As at<br>31.03.2021 | Less than 1<br>year | 1-5 years   | Above 5 years |
|-----------------------------------|---------------------|---------------------|-------------|---------------|
| (i) Lease Liabilities             | 56,19,986           | 19,53,412           | 50,86,825   | 24,06,150     |
| (ii) Trade Payables               | 6,27,72,070         | 83,05,736           | 5,42,67,686 | 1,98,648      |
| (iii) Other Financial Liabilities | 77,31,765           | 50,43,299           | 26,88,465   | -             |



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**Note: 45 Disclosure requirements as notified by MCA pursuant to amended Schedule III**

i) Ratio analysis and its elements

| Sr.No. | Ratio's                                     | 31-Mar-22 | 31-Mar-21 | % Variance | Reason for variance  |
|--------|---|-----------|-----------|------------|--|
| 1      | Current Ratio (in times)                    | 0.60      | 0.77      | -23%       | Decreased is mainly because of "decrease" in current assets as compared to previous year..                           |
| 2      | Debt Equity Ratio (in times)                | NA        | NA        | NA         | Debt Equity ratio not calculated as there is no debt liabilities of the company                                      |
| 3      | Debt Service Coverage Ratio (in times)      | -42.72    | 8.45      | -606%      | Ratio is negative due to loss in net profit as compare to profit in previous year                                    |
| 4      | Return on Equity Ratio (in %)               | NA        | NA        | NA         | Ratio is not calculated due to Loss in net profit  |
| 5      | Inventory Turnover Ratio (in times)         | 0.00      | 1.68      | -99.93%    | Ratio is not calculated due to no movement in the inventory  |
| 6      | Trade Receivables Turnover Ratio (in times) | 1.45      | 3.53      | -59%       | Decrease is mainly because the proportion of increase in receivable is more than increase in revenue from Operataion |
| 7      | Trade Payables Turnover Ratio (in times)    | 0.24      | 0.55      | -56%       | Decrease is mainly because the proportion of increase in payable is more than increase in cost of purchased goods.   |
| 8      | Net Capital Turnover Ratio (in times)       | -0.87     | -5.08     | -83%       | Ratio is negative because of inrease in current assets is less than current liabilities                              |
| 9      | Net Profit Ratio (in %)                     | -95%      | 2%        | -5543%     | Ratio is negative due to loss from Operation in the current year as compared to previous year                        |
| 10     | Return on Capital Employed (in %)           | 113%      | 621%      | -82%       | Decreased is mainly because of Loss in current year as compared profit in previous year                              |
| 11     | Return on Investment (in %)                 | NA        | NA        | NA         | Not applicable   |

Definitions:

(a) Current Ratio = Current Assets/ Current Liabilities

(b) Debt Equity Ratio = Debt/ Equity

(c)Debt Service Coverage Ratio= Earnings for debt service /Debt service

(d) Return on Equity Ratio = Net Profit/ (loss) After Tax / Average shareholder equity

(e)Inventory Turnover Ratio = Cost of goods sold/Average Inventory

(f) Trade Receivables Turnover Ratio =Revenue from operations/Average Trade Receivables

(g) Trade Payables Turnover Ratio =Operating Expenses + Other expenses/Average Trade Payable

(h) Net Capital Turnover Ratio =Revenue from operations/Working Capital

(i) Net Profit Ratio =Net Profit/ (loss) After Tax/Revenue from operations

(j) Return on Capital Employed =Earnings before Interest and tax /Net Worth +Long Term Borrowings

(k) Return on Investment =Interest income on bank deposits/Bank Fixed Deposits



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**Note 45. Disclosure requirements as notified by MCA pursuant to amended Schedule III (Contd.)**

- (ii) The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- (iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iv) The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- (v) The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period
- (vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- (vii) The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries),with the understanding that the intermediary shall
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) , or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (viii) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (ix) The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (x) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

**Note 46. Prior Period of Comperative**

The previous year figures have been regrouped / restated to the extent possible to confirm to current year presentation.

**Note 47. Authorisation of Financial Statements**

The financial statements were approved by the Board of Directors on 16 May, 2022

The accompanying notes form an integral part of these financial statements.

As per our attached report of even date

**FOR BANSI KHANDELWAL & CO.**

Chartered Accountants

Firm Registration No. 145850W

For and on behalf of the Board of Directors

CIN- U72200KL2010PTC025477

**Bansi V Khandelwal**

Proprietor

Membership No 138205

Date: 16/05/2022

Place: Navi Mumbai



**Sanjay Bharat Bali**

Director

(DIN:08716284)

Place: Navi Mumbai

**Awad Mohammed Hamza**

Director

(DIN: 02927704)

Place: Trivandrum

